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INTERSTATE COMMERCE COMMISSION

**NORTH AMERICAN CAR
CORPORATION EQUIPMENT TRUST**

First 1972 Series

EQUIPMENT TRUST AGREEMENT

Dated as of February 1, 1972

BY AND BETWEEN

THE NORTHERN TRUST COMPANY, Trustee

AND

NORTH AMERICAN CAR CORPORATION

RECONCILIATION AND TIE SHEET*
Between
PROVISIONS OF THE TRUST INDENTURE ACT OF 1939
And
EQUIPMENT TRUST AGREEMENT, DATED AS OF FEBRUARY 1, 1972
Between
NORTH AMERICAN CAR CORPORATION
And
THE NORTHERN TRUST COMPANY,

Trustee

Section of Act	Section of Equipment Trust Agreement:
310(a)(1)	9.08
310(a)(2)	9.08
310(a)(3)	Inapplicable
310(a)(4)	Inapplicable
310(b)	9.07, 9.09
311(a)	9.12(a), 9.12(c)
311(b)	9.12(b), 9.12(c)
311(c)	Inapplicable
312(a)	8.01, 8.02(a)
312(b)	8.02(b)
312(c)	8.02(c)
313(a)	8.04(a)
313(b)	8.04(b)
313(c)	8.04(c)
313(d)	8.04(d)
314(a)(1)	8.03(a)
314(a)(2)	8.03(b)
314(a)(3)	8.03(c)
314(b)(1)	7.03
314(b)(2)	7.03
314(c)(1)	13.03, 4.03(b), 4.04(e), 5.06(2)
314(c)(2)	13.03, 4.03(e), 5.06(4)
314(c)(3)	Inapplicable
314(d)(1)	5.06
314(d)(2)	Inapplicable
314(d)(3)	4.03, 5.06
314(e)	13.03
315(a)	9.02(a)
315(b)	6.07
315(c)	9.02
315(d)	9.02
315(e)	6.11
316(a)(1)	6.04, 6.10
316(a)(2)	Omitted
316(b)	6.09
317(a)	6.01
317(b)	9.13
318(a)	13.04

* This Reconciliation and Tie Sheet will not be part of the Equipment Trust Agreement as executed.

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EQUIPMENT TRUST AGREEMENT dated as of February 1, 1972, by and between, THE NORTHERN TRUST COMPANY, a corporation duly organized and existing under the laws of the State of Illinois, as Trustee (hereinafter called the Trustee), and NORTH AMERICAN CAR CORPORATION, a corporation duly organized and existing under the laws of the State of Delaware (hereinafter called the Company).

WHEREAS, the Company has agreed to cause to be sold, transferred and delivered to the Trustee the railroad equipment described in Exhibit A attached hereto; and

WHEREAS, title to such railroad equipment is to be vested in and is to be retained by the Trustee, and such railroad equipment is to be leased to the Company hereunder until title is transferred under the provisions hereof; and

WHEREAS, North American Car Corporation Equipment Trust Certificates, First 1972 Series (hereinafter called the Trust Certificates), are to be issued and sold in an aggregate principal amount not exceeding \$25,000,000, and the net proceeds (as hereinafter defined) of such sale together with such other cash, if any, as may be required to be deposited by the Company as hereinafter provided is to constitute a fund equal to the aggregate principal amount of Trust Certificates so issued and sold, to be known as NORTH AMERICAN CAR CORPORATION EQUIPMENT TRUST, FIRST 1972 SERIES, to be applied by the Trustee in payment of the cost of the Trust Equipment;

WHEREAS, the texts of the Trust Certificates, the certificate of authentication to be borne by the Trust Certificates and the guaranty to be endorsed on the Trust Certificates by the Company are to be substantially in the following forms, respectively:

[FORM OF SERIAL TRUST CERTIFICATE]

\$.....

No.....

NORTH AMERICAN CAR
CORPORATION% EQUIPMENT TRUST CERTIFICATE, DUE AUGUST 1, 197. .
(FIRST 1972 SERIES)THE NORTHERN TRUST COMPANY,
Trustee

THE NORTHERN TRUST COMPANY, as Trustee (hereinafter called the Trustee) under an Equipment Trust Agreement (hereinafter called the Agreement) dated as of February 1, 1972, by and between the Trustee and North American Car Corporation, a Delaware corporation (hereinafter called the Company), hereby certifies that

or registered assigns is entitled to an interest of

Dollars in North American Car Corporation Equipment Trust, First 1972 Series, payable on the date specified in the title of this Certificate above, and to interest thereon at the rate of % per annum from February 1 or August 1 next preceding the date hereof to which interest on the Serial Trust Certificates (as defined in the Agreement) has been paid (unless the date hereof is a February 1 or an August 1 to which interest has been paid, in which case from the date hereof, unless the date hereof is prior to July 14, 1972, in which case from the date hereof, or unless the date hereof is between January 15 or July 15 and the following February 1 or August 1, in which case from such February 1 or August 1, *provided, however*, that if the Company shall default in the payment of rentals with respect to the interest due on such February 1 or August 1, then from the next preceding February 1 or August 1 to which interest has been paid) semi-annually on February 1 and August 1 in each year, until payment of the principal of this Certificate has been made or duly provided for. The interest so payable on any February 1 or August 1, subject to certain exceptions provided in the Agreement, will be paid to the person

in whose name this Certificate is registered at the close of business on the January 15 or July 15, as the case may be, next preceding such February 1 or August 1 or, if such January 15 or July 15 is not a business day, the business day next preceding such January 15 or July 15. Both principal of and interest on this Certificate are payable at the principal corporate trust office of the Trustee in the City of Chicago, County of Cook, State of Illinois (or, at the option of the holder hereof, at the agency of the Trustee in the Borough of Manhattan, City and State of New York) in such coin or currency of the United States of America as, at the time of payment, shall be legal tender for the payment of public and private debts, but only from and out of rentals or other moneys received by the Trustee and applicable to such payment under the provisions of the Agreement, *provided*, that interest may be payable, at the option of the Trustee, by check mailed to the registered address of the person entitled thereto as such address appears on the registration books of the Trustee.

Additional provisions of this Certificate are set forth on the reverse hereof.

This Certificate shall not be valid or become obligatory for any purpose until the certificate of the Trustee hereon shall have been signed by or on behalf of the Trustee under the Agreement.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be signed by one of its Vice Presidents, by his signature or a facsimile thereof, and its corporate seal or a facsimile thereof to be hereunto affixed or hereon imprinted and to be attested by its Secretary or one of its Assistant Secretaries by his signature or a facsimile thereof.

Dated:

THE NORTHERN TRUST COMPANY,
Trustee

By
Vice President.

Attest:

.....
Assistant Secretary.

[FORM OF REVERSE OF SERIAL TRUST CERTIFICATE]

This Certificate is one of an authorized issue of Trust Certificates in an aggregate principal amount not exceeding \$25,000,000, consisting of not to exceed \$5,000,000 aggregate principal amount (hereinafter called Serial Trust Certificates) which will mature serially in the principal amount of \$1,000,000 on August 1 in each of the years 1973 to 1977, both inclusive, and not to exceed \$20,000,000 aggregate principal amount which will mature on August 1, 1992, and issued or to be issued under the Agreement, under which certain railroad equipment leased to the Company (or cash or obligations defined in the Agreement as "Investment Securities" in lieu thereof, as provided in the Agreement) is held by the Trustee in trust for the equal and ratable benefit of the registered holders of the Trust Certificates issued thereunder. In addition, the Trust Certificates are secured by the pledge and assignment to the Trustee of \$1,278,000 aggregate principal amount of the equipment bonds of North American Car (Canada) Limited, a wholly owned subsidiary of the Company, which bonds are secured in turn by a mortgage of certain railway equipment of North American Car (Canada) Limited. Reference is made to the Agreement (a copy of which is on file with the Trustee at its said office) for a more complete statement of the terms and provisions thereof, to all of which the registered holder hereof, by accepting this Certificate, assents. This Certificate is one of the Serial Trust Certificates.

The Serial Trust Certificates are issuable as fully registered Trust Certificates in denominations of \$1,000 and any multiple of \$1,000. The several denominations of Trust Certificates bearing the same maturity are interchangeable upon presentation thereof for the purpose at said office of the Trustee (or at the agency to be maintained by the Trustee in the Borough of Manhattan, City and State of New York) as provided in the Agreement, but only upon payment of any stamp tax or other governmental charge connected therewith.

This Certificate is transferable by the registered holder hereof in person or by duly authorized attorney on the books of the Trustee upon surrender to the Trustee at its said office (or at the agency to be maintained by the Trustee in the Borough of Manhattan, City and State of New York) of this Certificate accompanied by a written instrument of transfer, duly executed by the registered holder in person or by such attorney, in form satisfactory to the Trustee, and thereupon a new Serial Trust Certificate or Certificates in authorized denominations for the same aggregate principal amount and bearing the same maturity

as this Certificate will be issued to the transferee in exchange herefor, but only upon payment of any stamp tax or other governmental charge connected therewith. Subject to provisions described above as to payment of interest to holders on a record date, the Company, the Trustee and any agent thereof may deem and treat the person in whose name this Certificate is registered as the absolute owner hereof for the purpose of receiving payment of principal and interest and for all other purposes and shall not be affected by any notice to the contrary.

In case of the happening of an Event of Default (as defined in the Agreement) the principal amount represented by this Certificate may become or be declared due and payable in the manner and with the effect provided in the Agreement.

[FORM OF SINKING FUND TRUST CERTIFICATE]

\$.....

No.....

NORTH AMERICAN CAR CORPORATION

8.10% EQUIPMENT TRUST CERTIFICATE, DUE AUGUST 1, 1992 (FIRST 1972 SERIES)

THE NORTHERN TRUST COMPANY, Trustee

THE NORTHERN TRUST COMPANY, as Trustee (hereinafter called the Trustee) under an Equipment Trust Agreement (hereinafter called the Agreement) dated as of February 1, 1972, by and between the Trustee and North American Car Corporation, a Delaware corporation (hereinafter called the Company), hereby certifies that

or registered assigns is entitled to an interest of Dollars in North American Car Corporation Equipment Trust, First 1972 Series, payable August 1, 1992, and to interest thereon at the rate of 8.10% per annum from the February 1 or the August 1 next preceding the date hereof to which interest on the Sinking Fund Trust Certificates (as defined in the Agreement) has been paid (unless the date hereof is a February 1 or an August 1 to which interest has been

paid, in which case from the date hereof, unless the date hereof is prior to July 14, 1972, in which case from the date hereof, or unless the date hereof is between January 15 or July 15 and the following February 1 or August 1, in which case from such February 1 or August 1, *provided, however*, that if the Company shall default in the payment of rentals with respect to the interest due on such February 1 or August 1, then from the next preceding February 1 or August 1 to which interest has been paid) semi-annually on February 1 and August 1 in each year, until payment of the principal of this Certificate has been made or duly provided for. The interest so payable on any February 1 or August 1, subject to certain exceptions provided in the Agreement, will be paid to the person in whose name this Certificate is registered at the close of business on the January 15 or July 15, as the case may be, next preceding such February 1 or August 1 or, if such January 15 or July 15 is not a business day, the business day next preceding such January 15 or July 15. Both principal of and interest on this Certificate are payable at the principal corporate trust office of the Trustee in the City of Chicago, County of Cook, State of Illinois (or, at the option of the holder hereof, at the agency of the Trustee in the Borough of Manhattan, City and State of New York) in such coin or currency of the United States of America as, at the time of payment, shall be legal tender for the payment of public and private debts, but only from and out of rentals or other moneys received by the Trustee and applicable to such payment under the provisions of the Agreement, *provided*, that interest may be payable, at the option of the Trustee, by check mailed to the registered address of the person entitled thereto as such address appears on the registration books of the Trustee.

Additional provisions of this Certificate are set forth on the reverse hereof.

This Certificate shall not be valid or become obligatory for any purpose until the certificate of the Trustee hereon shall have been signed by or on behalf of the Trustee under the Agreement.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be signed by one of its Vice Presidents, by his signature or a facsimile thereof, and its corporate seal or a facsimile thereof to be hereunto

affixed or hereon imprinted and to be attested by its Secretary or one of its Assistant Secretaries by his signature or a facsimile thereof.

Dated:

THE NORTHERN TRUST COMPANY,
Trustee

By
Vice President.

Attest:

.....
Assistant Secretary.

[FORM OF REVERSE OF SINKING FUND TRUST CERTIFICATE]

This Certificate is one of an authorized issue of Trust Certificates in an aggregate principal amount not exceeding \$25,000,000, consisting of not to exceed \$5,000,000 aggregate principal amount which will mature serially in the principal amount of \$1,000,000 on August 1 in each of the years 1973 to 1977, both inclusive, and not to exceed \$20,000,000 aggregate principal amount (hereinafter called Sinking Fund Trust Certificates) which will mature on August 1, 1992, and issued or to be issued under the Agreement, under which certain railroad equipment leased to the Company (or cash or obligations defined in the Agreement as "Investment Securities" in lieu thereof, as provided in the Agreement) is held by the Trustee in trust for the equal and ratable benefit of the registered holders of the Trust Certificates issued thereunder. In addition, the Trust Certificates are secured by the pledge and assignment to the Trustee of \$1,278,000 aggregate principal amount of the equipment bonds of North American Car (Canada) Limited, a wholly owned subsidiary of the Company, which bonds are secured in turn by a mortgage of certain railway equipment of North American Car (Canada) Limited. Reference is made to the Agreement (a copy of which is on file with the Trustee at its said office) for a more complete statement of the terms and provisions thereof, to all of which the registered holder hereof, by accepting this Certificate, assents. This Certificate is one of the Sinking Fund Trust Certificates.

As a sinking fund for the Sinking Fund Trust Certificates, the Agreement provides for the payment by the Company to the Trustee, on or before August 1 in each year, commencing August 1, 1978,

and continuing to and including August 1, 1991, of additional rental in an amount sufficient to redeem \$1,333,000 aggregate principal amount of Sinking Fund Trust Certificates. As more fully provided in the Agreement, the Sinking Fund Trust Certificates are subject to redemption in part through the application of such additional rental on August 1, 1978, and on each August 1 thereafter to and including August 1, 1991, on not less than 30 days' prior notice given as provided in the Agreement, at 100% of the principal amount thereof, together with accrued and unpaid interest to the date fixed for redemption. The Agreement further provides that the Company may, at its option, credit against such rental Sinking Fund Trust Certificates, retired otherwise than through the operation of the sinking fund, such credit to be in an amount equal to the aggregate principal amount of such Sinking Fund Trust Certificates. Any registered holder of \$133,000 or greater principal amount of Sinking Fund Trust Certificates (or such lesser principal amount as may be permitted pursuant to the Agreement) may elect by written notice to the Trustee, given as provided in the Agreement, to receive his *pro rata* share of the cash paid to the Trustee for any sinking fund payment (but not of Sinking Fund Trust Certificates delivered to the Trustee as a credit), all in the manner contemplated by the Agreement.

As more fully provided in the Agreement, the Sinking Fund Trust Certificates are also redeemable at the option of the Company on August 1 in each year commencing August 1, 1982, and, continuing to and including August 1, 1991, in a principal amount not to exceed the principal amount of the Sinking Fund Trust Certificates subject to redemption on such August 1 pursuant to the aforesaid sinking fund, such option to be non-cumulative, at 100% of the principal amount thereof, plus accrued and unpaid interest to the redemption date.

The Sinking Fund Trust Certificates are issuable as fully registered Trust Certificates in denominations of \$1,000 and any multiple of \$1,000. The several denominations of Sinking Fund Trust Certificates are interchangeable upon presentation thereof for the purpose at said office of the Trustee (or at the agency to be maintained by the Trustee in the Borough of Manhattan, City and State of New York) as provided in the Agreement, but only upon payment of any stamp tax or other governmental charge connected therewith.

This Certificate is transferable by the registered holder hereof in person or by duly authorized attorney on the books of the Trustee upon

surrender to the Trustee at its said office (or at the agency to be maintained by the Trustee in the Borough of Manhattan, City and State of New York) of this Certificate accompanied by a written instrument of transfer, duly executed by the registered holder in person or by such attorney, in form satisfactory to the Trustee, and thereupon a new Sinking Fund Trust Certificate or Certificates in authorized denominations for the same aggregate principal amount will be issued to the transferee in exchange hereof, but only upon payment of any stamp tax or other governmental charge connected therewith. Subject to provisions described above as to payment of interest to holders on a record date, the Company, the Trustee and any agent thereof may deem and treat the person in whose name this Certificate is registered as the absolute owner hereof for the purpose of receiving payment of principal and interest and for all other purposes and shall not be affected by any notice to the contrary.

In case of the happening of an Event of Default (as defined in the Agreement) the principal amount represented by this Certificate may become or be declared due and payable in the manner and with the effect provided in the Agreement.

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

This is one of the Certificates referred to in the within-mentioned Agreement.

THE NORTHERN TRUST COMPANY, THE NORTHERN TRUST COMPANY,
as Trustee OR *as Trustee*

By THE CHASE MANHATTAN BANK
(NATIONAL ASSOCIATION)
Authenticating Agent

By By
Authorized Officer *Authorized Officer*

[FORM OF GUARANTY FORM FOR TRUST CERTIFICATES]

North American Car Corporation, for a valuable consideration, hereby unconditionally guarantees to the registered holder of the within Certificate the prompt payment of the principal of said Certificate, and of the interest thereon specified in said Certificate, with interest on any

overdue principal and interest, to the extent legally enforceable, at the rate of 9% per annum, all in accordance with the terms of said Certificate and the Equipment Trust Agreement referred to therein.

NORTH AMERICAN CAR CORPORATION,

By
President.

WHEREAS, the Trust Certificates are to be secured by the Pledge and Assignment from the Company to the Trustee, substantially in the form of Exhibit B hereto, of \$1,278,000 aggregate principal amount of Equipment Bonds of North American Car (Canada) Limited, issued pursuant to the Deed of Trust and Mortgage between such corporation and Montreal Trust Company, Trustee, substantially in the form of Exhibit C attached hereto, which bonds of such corporation are to be secured by a mortgage of the railway equipment thereof described in such Deed of Trust and Mortgage; and

WHEREAS, it is desired to secure to the holders of the Trust Certificates the payment of the principal thereof at maturity, whether by declaration or otherwise, as hereinafter more particularly provided, with interest to said date of maturity, as hereinafter provided, payable semiannually on February 1 and August 1 in each year, and to evidence the rights of the holders of the Trust Certificates in substantially the forms hereinbefore set forth;

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, the parties hereto hereby agree as follows:

ARTICLE ONE

DEFINITIONS

SECTION 1.01. *Definitions.* The following terms (except as otherwise expressly provided or unless the context otherwise requires) for all purposes of this Agreement shall have the respective meanings hereinafter specified; all other terms used in this Agreement which are defined in the Trust Indenture Act of 1939 or which are by reference therein defined in the Securities Act of 1933 (except as herein otherwise expressly provided or unless the context otherwise requires) shall have

the meanings assigned to such terms in said Trust Indenture Act and in said Securities Act as in force at the date of this Agreement:

Affiliate of the Company shall mean any corporation which, directly or indirectly, controls or is controlled by, or is under common control with, the Company. For the purposes of this definition, *control* (including *controlled by* and *under common control with*) as used with respect to the Company, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the Company, whether through the ownership of voting securities or by contract or otherwise.

Assignment shall mean the Pledge and Assignment of even date herewith from the Company to the Trustee, in substantially the form annexed hereto as Exhibit B, as originally executed or as it may from time to time be supplemented, modified or amended.

Authenticating Agent shall mean the agent of the Trustee which at the time shall be appointed and acting under Section 2.08.

Business Day shall mean any day of the week other than Saturday, Sunday or a day which shall be either in the City of Chicago, State of Illinois or the City of New York, State of New York, a legal holiday or a day on which banking institutions are authorized or obligated by law or executive order to close.

Canadian Subsidiary shall mean North American Car (Canada) Limited, a corporation duly organized and existing under the laws of the Province of Ontario, Dominion of Canada, of which all of the capital stock is owned by the Company, and any successor or successors to it complying with Section 8.02 of the Equipment Mortgage.

Commission shall mean the United States Securities and Exchange Commission.

Company shall mean North American Car Corporation and any successor or successors to it complying with the provisions of Section 5.09.

Corporate Trust Office shall mean the principal office of the Trustee in the City of Chicago, County of Cook, State of Illinois, at which the corporate trust business of the Trustee shall, at the time in question, be administered, which office is, at the date of execution of this Agreement, located at 50 South La Salle Street, Chicago, Illinois 60690.

Cost, when used with respect to Equipment not built by the Company, shall mean the actual cost thereof, and, in respect of Equipment built by the Company, shall mean so-called "car builder's cost" including direct cost of labor and material and overhead, but excluding any manufacturing profit.

Deposited Cash shall mean the aggregate of (a) cash on deposit with or to the credit of the Trustee as provided in the first paragraph of Section 2.01 and, when required or indicated by the context, any Investment Securities purchased by the use of such cash pursuant to the provisions of Section 9.05, and (b) any sums restored to Deposited Cash from rentals pursuant to Section 5.04(B)(1)(b) and or. deposit with or to the credit of the Trustee.

Engineer's Certificate shall mean a certificate signed by the Chairman of the Board or the President or a Vice President of the Company or any other officer or employee of the Company who is also an engineer appointed by the Company and approved by the Trustee in the exercise of reasonable care.

Equipment shall mean standard-gauge railroad equipment (other than passenger or work equipment), first put into use on or after August 1, 1970, except that, for the purposes of Section 5.06 and 5.08, where railroad equipment is being conveyed to the Trustee (A) in replacement of Trust Equipment (i) sold or contracted to be sold or (ii) which has become worn out, lost, destroyed or unsuitable for use or (B) against the payment by the Trustee to the Company of cash deposited pursuant to Section 5.06 or 5.08 in respect of Trust Equipment (i) so sold or contracted to be sold or (ii) which has become worn out, lost, destroyed or unsuitable for use, Equipment means railroad equipment (other than passenger or work equipment) irrespective of when first put into use.

Equipment Bonds shall mean the 8% Demand Equipment Bonds, First 1972 Series, at any time outstanding under the Equipment Mortgage.

Equipment Mortgage shall mean the Deed of Trust and Mortgage of even date herewith between the Canadian Subsidiary and Montreal Trust Company, Trustee, in substantially the form annexed hereto as Exhibit C, as originally executed or as it may from time to time be supplemented, modified or amended.

Event of Default shall mean any event specified in Section 6.01 to be an Event of Default.

The word *holder*, when used with respect to Trust Certificates, shall include the plural as well as the singular number.

Independent Engineer shall mean an engineer, appraiser or other expert appointed by the Company and approved by the Trustee in the exercise of reasonable care, who (a) is in fact independent, (b) does not have any substantial interest, direct or indirect, in the Company or in any other obligor on the Trust Certificates or in any Affiliate of the Company or any such other obligor and (c) is not connected with the Company or any other obligor on the Trust Certificates or any Affiliate of the Company or any such other obligor as an officer, employee, promoter, underwriter, trustee, partner, director or person performing similar functions.

Investment Securities shall mean (a) bonds, notes or other direct obligations of the United States of America or obligations for which the full faith and credit of the United States is pledged to provide for the payment of the interest and principal, (b) commercial paper given a rating of "prime" or better (or a comparable rating if such rating system is changed) by the National Credit Office or a successor thereto or a similar rating service substituted therefor and (c) certificates of deposit of or time deposits in banks or trust companies incorporated and doing business under the laws of the United States of America or one of the States thereof having a capital and surplus aggregating at least \$50,000,000.

Officers' Certificate shall mean a certificate signed by the Chairman of the Board or the President or any Vice President and by the Treasurer or any Assistant Treasurer or the Secretary or any Assistant Secretary of the Company. Each such certificate shall include the statements provided for in Section 13.03 if and to the extent required by the provisions thereof.

Opinion of Counsel shall mean an opinion in writing signed by legal counsel who shall be satisfactory to the Trustee and who may, unless in a particular instance the Trustee shall otherwise require, be an employee of or of counsel to the Company. Each such opinion shall include the statements provided for in Section 13.03 if and to the extent required by the provisions thereof. The acceptance by the Trustee of, and

its action on, an Opinion of Counsel shall be sufficient evidence that such counsel is satisfactory to the Trustee.

Request shall mean a written request for the action therein specified, delivered to the Trustee, dated not more than ten days prior to the date of delivery to the Trustee and, in the case of requests from the Company, signed on behalf of the Company by the Chairman of the Board or the President or a Vice President of the Company.

Responsible Officer shall mean the chairman of the board of directors, the vice chairman of the board of directors, the chairman of the executive committee, the vice chairman of the executive committee, the president, any vice president, the cashier, the secretary, the treasurer, any trust officer, any assistant trust officer, any assistant vice president, any assistant cashier, any assistant secretary, any assistant treasurer, 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.

Serial Trust Certificates shall mean the Trust Certificates which mature serially on August 1 of each of the years 1973 to 1977, both inclusive.

Sinking Fund Trust Certificates shall mean the Trust Certificates which mature on August 1, 1992 and are subject to redemption as provided in Article Three.

Trust Certificates shall mean North American Car Corporation Equipment Trust Certificates, First 1972 Series, issued hereunder.

Trust Equipment shall mean all Equipment at the time subject to the terms of this Agreement.

Trust Indenture Act of 1939 shall mean the Trust Indenture Act of 1939 as in force at the date of this Agreement as originally executed.

Trustee shall mean The Northern Trust Company, a corporation duly organized and existing under the laws of the State of Illinois, and, subject to the provisions of Article Nine, any successor as trustee hereunder.

The words *herein*, *hereof*, *hereby*, *hereto*, *hereunder* and words of similar import refer to this Agreement as a whole and not to any particular Article, Section, paragraph or subdivision hereof.

ARTICLE TWO

TRUST CERTIFICATES AND ISSUANCE THEREOF

SECTION 2.01. *Issuance of Trust Certificates.* The net proceeds (including premium and accrued interest, if any) of the sale of any of the Trust Certificates shall, forthwith upon the issuance thereof, be deposited in cash with the Trustee or to its credit, as Trustee, in one or more special trust accounts with such banks or bankers as may be designated in a Request and approved by the Trustee. At the same time the Company shall, if necessary, deposit with the Trustee, or to its credit as aforesaid, any advance rental payable by the Company to the Trustee under Section 5.04(A).

Thereupon, without waiting for the recording or filing of this Agreement or of any other instrument respecting the Trust Equipment, the Trustee shall issue, authenticate and deliver, as the Company shall direct by Request, Trust Certificates in the aggregate principal amount so sold.

The aggregate principal amount of Trust Certificates which shall be executed, authenticated and delivered by the Trustee hereunder shall not exceed the sum of \$25,000,000, the aggregate principal amount of Serial Trust Certificates which shall be executed, authenticated and delivered by the Trustee hereunder shall not exceed the sum of \$5,000,000, and the aggregate principal amount of Sinking Fund Trust Certificates which shall be executed, authenticated and delivered by the Trustee hereunder shall not exceed the sum of \$20,000,000, except as provided in Sections 2.05, 2.06, 2.07 and 3.02.

The certificates of any banks or bankers designated and approved as provided in the first paragraph of this Section 2.01, stating that they hold a stated amount subject to the order of the Trustee, shall be full protection to the Trustee for its action on the faith thereof. Said banks or bankers shall be fully protected in paying said moneys so deposited with them, and any interest thereon, to or upon the written order of the Trustee, and shall be under no obligation to see to the application thereof in accordance with the provisions of this Agreement.

SECTION 2.02. *Trust Certificates.* The Trust Certificates shall be designated as "Equipment Trust Certificates, First 1972 Series". Each of the Trust Certificates shall represent an interest in the amount therein specified in the trust created hereunder.

The Sinking Fund Trust Certificates shall be payable and bear interest as specified in the form thereof hereinbefore set forth and shall mature on the date therein specified. The Serial Trust Certificates shall be payable as specified in the form thereof hereinbefore set forth and shall mature on the dates and bear interest at the rates per annum as follows:

<u>Principal Amount</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>
\$1,000,000	August 1, 1973	5.650%
1,000,000	August 1, 1974	6.125
1,000,000	August 1, 1975	6.625
1,000,000	August 1, 1976	7.000
1,000,000	August 1, 1977	7.250

The Trust Certificates shall be in denominations of \$1,000 and any multiple thereof and shall be fully registered as to both principal and interest in the name of the holder.

The principal of and interest on the Trust Certificates shall be payable at the places provided in the Trust Certificates in such coin or currency of the United States of America as, at the time of payment, shall be legal tender for the payment of public and private debts. Each instalment of interest on the Trust Certificates may be paid by mailing checks for such interest payable to such person entitled thereto pursuant to Section 2.06(c) to the address of such person as it appears on the registry books of the Trustee.

Except as provided in the next two sentences, each Trust Certificate shall be dated the date on which the same shall be authenticated and delivered by the Trustee or the Authenticating Agent thereof and shall bear interest from the February 1 or August 1, as the case may be, to which interest has been last paid preceding the date thereof, unless such date is a February 1 or August 1 to which interest has been paid, in which case it shall bear interest from the date thereof, or is prior to July 14, 1972, in which case it shall bear interest from the date thereof. Except as provided in the next sentence, each Trust Certificate which is originally authenticated by the Trustee or the Authenticating Agent thereof after August 1, 1972 pursuant to Section 2.01 hereof shall be dated as of the February 1 or August 1 preceding the date of such authentication and shall bear interest from such February 1 or August 1, as the case may be. Each Trust Certificate which is authen-

ticated by the Trustee or the Authenticating Agent thereof between the Record Date (as defined in Section 2.06(c) hereof) for any interest payment date and such interest payment date shall be dated the date of its authentication, but shall bear interest from such interest payment date; *provided, however*, that if and to the extent the Company shall default in the payment of rentals with respect to the interest payable on such interest payment date, then any Trust Certificate so authenticated shall bear interest from the February 1 or August 1, as the case may be, next preceding the date of such Trust Certificate to which interest has been paid.

SECTION 2.03. *Forms of Trust Certificates, Certificate of Authentication and Guaranty.* The Serial Trust Certificates and the Sinking Fund Trust Certificates, the guaranty to be endorsed on all the Trust Certificates by the Company as hereinafter in Section 7.01 provided and the Certificate of Authentication shall be in substantially the forms hereinbefore set forth. The definitive Trust Certificates shall be printed in fully engraved form or lithographed or printed with steel engraved borders or partially engraved and partially printed with steel engraved borders.

SECTION 2.04. *Execution by Trustee; Authentication.* The Trust Certificates shall be signed in the name and on behalf of the Trustee by the manual or facsimile signature of the President or one of the Vice Presidents of the Trustee and the corporate seal or a facsimile thereof of the Trustee shall be affixed or imprinted thereon and attested by the manual or facsimile signature of its Secretary or one of its Assistant Secretaries. In case any officer of the Trustee whose signature, whether facsimile or not, shall appear on any of the Trust Certificates shall cease to be such officer before the Trust Certificates shall have been authenticated and delivered by the Trustee or its Authenticating Agent or shall not have been acting in such capacity on the date of the Trust Certificates, such Trust Certificates may be adopted by the Trustee and be authenticated and delivered as though such person had not ceased to be or had then been such officer of the Trustee.

Only such Trust Certificates as shall bear thereon a certification of authentication substantially in the form hereinbefore set forth, executed on behalf of the Trustee by its authorized officer or by its Authenticating Agent by an authorized officer, shall be entitled to the benefits of this Agreement or be valid or obligatory for any purpose. Such

certificate by the Trustee, directly or by its Authenticating Agent, upon any Trust Certificate executed by the Trustee shall be conclusive evidence that the Trust Certificate so authenticated has been duly authenticated and delivered hereunder and that the holder is entitled to the benefits of this Agreement.

SECTION 2.05. *Temporary Trust Certificates.* Temporary printed Trust Certificates in such form and denominations as the Company may determine with the approval of the Trustee may be issued by the Trustee and authenticated and delivered by the Trustee or its Authenticating Agent and shall be exchangeable, without charge to the holder thereof, upon surrender thereof to the Trustee or its Authenticating Agent, for definitive Trust Certificates when the same shall have been prepared. Until such exchange said temporary Trust Certificates shall be entitled to the same benefit of this Agreement in all respects as said definitive Trust Certificates.

SECTION 2.06. *Transfer and Exchange; Record Date.* (a) The Trustee shall cause to be kept at the Corporate Trust Office books for the transfer of the Trust Certificates.

The transfer of each Trust Certificate shall be registrable by the registered holder thereof in person or by duly authorized attorney on the books of the Trustee or its Authenticating Agent upon surrender to the Trustee at its Corporate Trust Office, or to its Authenticating Agent at the principal corporate trust office thereof, of such Trust Certificate accompanied by a written instrument of transfer, duly executed by the registered holder in person or by such attorney, in form satisfactory to the Trustee or its Authenticating Agent. Thereupon the Trustee or its Authenticating Agent will authenticate and deliver to the transferee thereof in exchange therefor, without expense to the transferor or transferee except as provided in the last paragraph of this Section 2.06(a), a new fully registered Trust Certificate for the same principal amount as the unpaid principal amount of the Trust Certificate so surrendered, and the Company shall endorse its guaranty on such new Trust Certificate.

The holder of one or more Trust Certificates may surrender the same for exchange at said Corporate Trust Office of the Trustee or at said office of the Authenticating Agent and shall be entitled to receive in exchange therefor, without expense to the holder except as provided in the last paragraph of this Section 2.06(a), a like aggregate principal

amount of fully registered Trust Certificates of other authorized denominations of the same maturity, and the Company shall endorse its guaranty on such new Trust Certificates.

Anything herein to the contrary notwithstanding but subject to the provisions of Section 2.06(c) as to payment of interest to holders on a Record Date (as therein defined) for such payment, the parties hereto may deem and treat the registered holder of any Trust Certificate as the absolute owner of such Trust Certificate for all purposes and shall not be affected by any notice to the contrary.

For any such transfer or exchange the Trustee shall require the payment of a sum sufficient to cover the amount of any stamp tax or other governmental charge connected therewith.

(b) The Trustee and the Authenticating Agent shall not be required to transfer or exchange (i) Trust Certificates for a period of ten days next preceding any selection by lot of Trust Certificates to be redeemed under the provisions of Article Three, or (ii) Trust Certificates called or being called for redemption.

(c) The holder of any Trust Certificate on any Record Date (as hereinbelow defined) with respect to any interest payment date shall be entitled to receive the interest payable on such interest payment date notwithstanding the cancellation of such Trust Certificate upon any exchange or transfer thereof subsequent to the Record Date and prior to such interest payment date, except if and to the extent that the Company shall default in the payment of rentals with respect to the interest due on such interest payment date, in which case such defaulted interest shall be paid to the person in whose name such Trust Certificate (or any Trust Certificate or Certificates issued upon transfer or exchange thereof) is registered at the close of business on a Record Date established by the Company on not less than ten days' notice mailed to all holders of Trust Certificates. The term "Record Date" as used in this Section with respect to any interest payment date shall mean the close of business on the fifteenth day of the month next preceding such interest payment date, or, if such fifteenth day is not a business day, the business day next preceding such fifteenth day, or, with respect to the payment of defaulted interest, the close of business on the date established by the Company as hereinabove provided.

SECTION 2.07. *Replacement of Lost Trust Certificates.* In case any Trust Certificate shall become mutilated or defaced or be lost, destroyed or stolen, then on the terms herein set forth, and not otherwise, the Trustee shall execute and deliver a new Trust Certificate of like tenor and date, and bearing such identifying number or designation as the Trustee may determine, in exchange and substitution for, and upon cancellation of, the mutilated or defaced Trust Certificate, or in lieu of and in substitution for the same if lost, destroyed or stolen. The Company shall execute its guaranty on any Trust Certificates so delivered. The applicant for a new Trust Certificate shall furnish to the Trustee and to the Company evidence to their satisfaction of the loss, destruction or theft of such Trust Certificate alleged to have been lost, destroyed or stolen and of the ownership and authenticity of such mutilated, defaced, lost, destroyed or stolen Trust Certificate, and also shall furnish such security or indemnity as may be required by the Trustee and by the Company in their discretion, and shall pay all expenses and charges of such substitution or exchange. All Trust Certificates are held and owned upon the express condition that the foregoing provisions are exclusive in respect of the replacement of mutilated, defaced, lost, destroyed or stolen Trust Certificates and shall preclude any and all other rights and remedies, any law or statute now existing or hereafter enacted to the contrary notwithstanding.

SECTION 2.08. *Authenticating Agent.* As long as any of the Trust Certificates remain outstanding, there shall be an Authenticating Agent for the Trust Certificates which (a) shall be a corporation organized and doing business under the laws of the United States or of the State of New York, (b) shall have a combined capital and surplus of at least \$10,000,000, (c) shall be authorized to exercise corporate trust powers and be subjected to supervision or examination by Federal or New York authority, and (d) shall have its principal corporate trust office in the Borough of Manhattan, City of New York. The Authenticating Agent shall be appointed by the Trustee by an instrument in writing, shall be subject in all respects to the control and direction of the Trustee, and may be removed at any time by the Trustee by notice in writing, but upon any such removal the Trustee shall forthwith appoint a successor Authenticating Agent. Any authentication or delivery of Trust Certificates by the Trustee provided for herein shall be sufficiently made if such authentication or delivery is made on behalf of the Trustee by its Authenticating Agent.

ARTICLE THREE

REDEMPTION OF SINKING FUND TRUST CERTIFICATES

SECTION 3.01. *Right of Redemption and Redemption Price.* (a) The Sinking Fund Trust Certificates are subject to redemption in part, through the application of the rental payable to the Trustee pursuant to Section 5.04(B)(4), on August 1, 1978 and on each August 1 thereafter to and including August 1, 1991, at 100% of the principal amount thereof, together with accrued and unpaid interest to the date fixed for redemption (hereinafter called the Redemption Price).

(b) The Sinking Fund Trust Certificates are also subject to redemption in part at the option of the Company on August 1, 1982, and on each August 1 thereafter to and including August 1, 1991, in a principal amount not to exceed the principal amount of Trust Certificates subject to redemption on such August 1 pursuant to the foregoing Section 3.01(a), such option to be non-cumulative, at 100% of the principal amount thereof, together with accrued and unpaid interest to the date fixed for redemption.

SECTION 3.02. *Selection of Sinking Fund Trust Certificates for Sinking Fund Redemption; Notice of Redemption.* On or before June 15, 1978, and on or before June 15 in each year thereafter to and including June 15, 1991, the Trustee shall select by lot, either individually or by groups, in such manner as in its discretion it shall deem appropriate and fair, a principal amount of Sinking Fund Trust Certificates so as to exhaust the amount of rental to be paid by the Company to it in cash pursuant to Section 5.04(B)(4) on the next succeeding August 1 (hereinafter called Redemption Date) provided that Sinking Fund Trust Certificates may be redeemed in part only in multiples of \$1,000.

In any case where several Sinking Fund Trust Certificates are registered in the same name, the Trustee in its discretion may allocate the total principal amount of such Sinking Fund Trust Certificates so registered to be redeemed to any one or more Sinking Fund Trust Certificates registered in such name. In any prorating, the Trustee in its discretion shall make such adjustments as it shall determine to be appropriate and fair in order that the principal amounts so prorated shall be \$1,000 or multiples thereof. In any such selection the unit for redemption purposes shall, so far as practicable, be \$1,000 in principal amount.

Any holder of Sinking Fund Trust Certificates in whose name is registered an aggregate principal amount of Sinking Fund Trust Certificates at least equal to the sum obtained by multiplying \$133,000 by a fraction of which the numerator is the number of sinking fund redemption dates remaining to and including August 1, 1991 and the denominator is 14 (hereinafter in this Section 3.02 called an Eligible Holder) may, by written notice to the Trustee delivered at least 60 days prior to a Redemption Date, direct the Trustee to select for redemption on each Redemption Date thereafter occurring a principal amount of Sinking Fund Trust Certificates registered in the name of such holder having an aggregate Redemption Price which bears the same proportion to the aggregate Redemption Price of all the Sinking Fund Trust Certificates to be called for redemption on such Redemption Date pursuant to Section 3.01(a) as (a) the aggregate principal amount of Sinking Fund Trust Certificates registered in the name of such holder on a date selected by the Trustee not more than ten days prior to the selection by the Trustee of Sinking Fund Trust Certificates for redemption on such Redemption Date pursuant to the next preceding sentence, bears to (b) the aggregate principal amount of Sinking Fund Trust Certificates outstanding on such date. In such event (i) the principal amount of Sinking Fund Trust Certificates to be selected by the Trustee, as provided in Section 3.01(a), shall be appropriately reduced and (ii) there shall not be included in the selection made, as provided in Section 3.01(a) in respect of such Redemption Date, any Sinking Fund Trust Certificates registered in the name of any Eligible Holder of Sinking Fund Trust Certificates whose Sinking Fund Trust Certificates are selected for redemption as hereinabove provided. Any notice given by any Eligible Holder of Sinking Fund Trust Certificates as provided in the first sentence of this paragraph shall remain in effect unless and until revoked by written notice delivered by such holder to the Trustee at least 60 days prior to the Redemption Date or Dates in respect of which such revocation is expressed to be applicable or he shall no longer be an Eligible Holder. In any selection of Sinking Fund Trust Certificates for redemption pursuant to this paragraph, the Trustee shall, according to such method as it shall deem to be proper, make such adjustments, by increasing or decreasing by not more than \$1,000 the principal amount of Sinking Fund Trust Certificates of each holder selected pursuant to said second sentence, as may be necessary to the end that the principal amount of Sinking Fund Trust Certificates

of such holder selected for redemption shall be \$1,000 or an integral multiple thereof.

The Trustee shall mail a notice of redemption at least 30 days prior to each Redemption Date to the holders of the Sinking Fund Trust Certificates to be redeemed in whole or in part on such date, at their last addresses as they shall appear upon the registry books, but failure to give or receive such notice by mail, or any defect therein, shall not affect the validity of any proceedings for the redemption of Sinking Fund Trust Certificates.

The notice of redemption shall state that the principal amount of the Sinking Fund Trust Certificates or portions thereof to be redeemed (together with all accrued and unpaid interest thereon) will become due and payable on the date and at the places specified in such notice, that payment will be made at any of said places upon presentation and surrender of such Sinking Fund Trust Certificates, that accrued interest to the date fixed for redemption will be paid as specified in said notice, and that from and after said date interest thereon or on the portions thereof to be redeemed will cease to accrue. The notice of redemption shall also state the aggregate principal amount of Sinking Fund Trust Certificates to be redeemed and the serial numbers thereof; and in case there shall have been drawn as aforesaid less than the entire principal amount of any Sinking Fund Trust Certificate, the notice shall specify the serial number of such Sinking Fund Trust Certificate and the principal amount thereof called for redemption, and shall state that on and after the Redemption Date, upon surrender of such Sinking Fund Trust Certificate, the holder will receive the principal amount thereof called for redemption (together with all accrued and unpaid interest thereon) and, without charge, a new Sinking Fund Trust Certificate for the principal amount thereof remaining unredeemed, or, at the option of the holder of such Sinking Fund Trust Certificate, the return of such Sinking Fund Trust Certificate, with a notation thereon by the Trustee or its agent of the payment of the redeemed portion thereof. The serial numbers of any Sinking Fund Trust Certificates to be redeemed, required to be included in any such notice, may be stated in any one or more of the following ways: individually; in groups from one number to another number, both inclusive; or in groups from one number to another number, both inclusive, except such as shall have been previously called for redemption or otherwise retired.

SECTION 3.03. *Procedure for Optional Redemption of Sinking Fund Trust Certificates.* The procedure for the optional redemption of Sinking Fund Trust Certificates shall be as follows:

(1) In case the Company shall desire to redeem Sinking Fund Trust Certificates pursuant to Section 3.01(b), it shall deliver an Officers' Certificate to the Trustee giving notice of the exercise of such right of redemption on or before the June 1 preceding the August 1 fixed for redemption and specifying the aggregate principal amount of Sinking Fund Trust Certificates to be redeemed and the date fixed for redemption.

(2) Selection (if less than all the outstanding Sinking Fund Trust Certificates are to be redeemed) of the particular Sinking Fund Trust Certificates (or portions thereof, but not less than \$1,000) to be redeemed shall be made, and notice of redemption shall be given, in like manner as specified in Section 3.02.

SECTION 3.04. *Payment of Sinking Fund Trust Certificates Called for Redemption.* Notice of redemption having been given as above provided, and the Company on or before the Redemption Date specified in the notice of redemption having deposited with the Trustee an amount in cash sufficient to redeem all the Sinking Fund Trust Certificates or portions thereof called for redemption, including accrued interest, the Sinking Fund Trust Certificates or portions thereof called for redemption shall become due and payable on such Redemption Date at the places specified in said notice, and from and after such Redemption Date interest on such Sinking Fund Trust Certificates or portions thereof shall cease to accrue and such Sinking Fund Trust Certificates or portions shall no longer be deemed to be outstanding hereunder and shall cease to be entitled to the benefit of this Agreement except to receive payment from the moneys reserved therefor in the hands of the Trustee. The Trustee shall hold the redemption moneys in trust for the holders of the Sinking Fund Trust Certificates or portions thereof called for redemption, and it or its agent shall pay the same to such holders respectively upon presentation and surrender of such Sinking Fund Trust Certificates.

Except as provided in the second sentence of the last paragraph of Section 3.02, all Sinking Fund Trust Certificates redeemed and paid under this Article Three shall be canceled by the Trustee or its agent

and no Sinking Fund Trust Certificates shall be issued hereunder in place thereof.

ARTICLE FOUR

ACQUISITION OF TRUST EQUIPMENT BY TRUSTEE; PLEDGE AND ASSIGNMENT OF EQUIPMENT BONDS; DEPOSITED CASH

SECTION 4.01. *Acquisition of Equipment by Trustee.* The Company shall cause to be sold, assigned and transferred on the date of issuance of the Trust Certificates to the Trustee, as trustee for the holders of the Trust Certificates, the Equipment described in Schedule A hereto. The Company shall further cause to be deposited with, pledged, transferred and assigned on the date of issuance of the Trust Certificates to the Trustee, as trustee for the holders of the Trust Certificates, \$1,278,000 aggregate principal amount of Equipment Bonds. Such Equipment and Equipment Bonds shall be delivered to the person or persons designated by the Trustee as its agent or agents to receive such delivery (who may in the case of such Equipment be one or more of the officers or agents of the Company) and the certificate of any such agent or agents as to such delivery shall be conclusive evidence of such delivery.

SECTION 4.02. *Payment of Deposited Cash.* When the Trust Equipment and the Equipment Bonds shall have been delivered to the Trustee or its agent or agents pursuant to Section 4.01, the Trustee shall pay to the Company out of Deposited Cash, upon Request but subject to the provisions of Sections 4.03 and 4.04 hereof, an amount equal to 80% of the sum of the aggregate Cost (adjusted as provided in the next succeeding sentence) of such Trust Equipment, as specified in the Officers' Certificate furnished to the Trustee pursuant to Section 4.03(b) plus the aggregate principal amount of Equipment Bonds pledged with the Trustee pursuant to Section 4.01. If such Trust Equipment has been in use for a period of one year or more prior to the date it is delivered to the Trustee or its agent or agents, there shall, for the purposes of determining the amount payable out of Deposited Cash pursuant to this Section 4.02, be deducted from the Cost of such Trust Equipment an amount equal to $\frac{1}{25}$ th of the Cost of such Trust Equipment for each full period of one year elapsed between the date such Trust Equipment was first put into use, as specified in the Officers' Certificate furnished to the Trustee pursuant to Section 4.03(b), and the date such Trust Equipment was so delivered.

SECTION 4.03. *Supporting Documents and Papers; Trust Equipment.* The Trustee shall not pay out any Deposited Cash unless and until it shall have received:

(a) a certificate of the agent or agents designated by the Trustee to receive delivery of the Trust Equipment, stating that the Trust Equipment described and specified therein by number or numbers has been delivered to such agent or agents;

(b) an Officers' Certificate which shall state (i) that such Trust Equipment is Equipment as herein defined, (ii) that the Cost of such Trust Equipment is an amount therein specified or is not less than an amount therein specified, (iii) the date each unit of such Trust Equipment was first put into use or that such unit was first put into use not earlier than a specified date, (iv) whether such Trust Equipment has, within six months prior to the date of its acquisition by the Company, been used or operated, by a person or persons other than the Company, in a business similar to that in which it has been or is to be used or operated by the Company, (v) that, in the opinion of the signers, all conditions precedent provided for in this Agreement, relating to the payment in question, have been complied with and (vi) that there exists no default and no condition, event or act which, with notice or lapse of time, or both, would constitute a default hereunder;

(c) an Engineer's Certificate which shall state the fair value to the Company, in the opinion of the signer, of such Trust Equipment as of the date of the above-mentioned Request;

(d) a bill or bills of sale of such Trust Equipment from the manufacturers or the Company or other owners thereof to the Trustee, which bill or bills of sale shall contain a warranty or guaranty to the Trustee that the title to the Trust Equipment described therein is free from all liens and encumbrances other than the rights of the Company hereunder and of any sublessee from the Company (including without limitation the rights of sublessees to purchase equipment as described in Exhibit A hereto); and

(e) an Opinion of Counsel to the effect (i) that such bill or bills of sale are valid and effective, either alone or in con-

nection with any other instrument referred to in and accompanying such opinion, to vest in the Trustee title to such Trust Equipment free from all liens and encumbrances other than the rights of the Company hereunder and of any sublessee from the Company (including without limitation the rights of sublessees to purchase equipment as described in Exhibit A hereto), (ii) that in case of any Trust Equipment not specifically described herein, a proper supplement hereto in respect of such Trust Equipment has been duly executed by the Trustee and the Company and (iii) that, in the opinion of such counsel, all conditions precedent provided for in this Agreement, relating to the payment in question, have been complied with.

If the Trust Equipment for which payment is being made has, within six months prior to the date of its acquisition by the Company, been used or operated, by a person or persons other than the Company, in a business similar to that in which it has been or is to be used or operated by the Company and the fair value to the Company of such Trust Equipment is not less than \$25,000 and not less than 1% of the aggregate principal amount of Trust Certificates at the time outstanding, the Engineer's Certificate referred to in subparagraph (c) above shall be signed by an Independent Engineer.

Any Officers' Certificate delivered pursuant to this Section 4.03 may state that the Cost of the Trust Equipment therein referred to is tentatively determined, subject to final adjustment to be evidenced in a final Officers' Certificate to be delivered to the Trustee.

If the aggregate final Cost (less an amount equal to $\frac{1}{25}$ th of the Cost of each unit for each full period of one year elapsed between the date when first put into use and the date when delivered) or fair value, whichever is less, as specified in the certificates theretofore delivered to the Trustee pursuant to this Section 4.03, of the Trust Equipment delivered to the Trustee or its agent or agents pursuant to this Article Four shall be less than 120.1% of the aggregate principal amount of Trust Certificates issued pursuant to Section 2.01, the Company will cause to be sold, assigned and transferred to the Trustee additional Equipment in such amount and of such Cost that the aggregate final Cost (less an amount equal to $\frac{1}{25}$ th of the Cost of each unit for each full period of one year elapsed between the date when first put into use and the date when delivered) or fair value, whichever is less, of the Trust Equipment will

be at least 120.1% of the aggregate principal amount of said Trust Certificates.

SECTION 4.04. *Supporting Documents and Papers; Equipment Bonds.* The Trustee shall not pay out any Deposited Cash unless and until it shall have received:

(a) duly executed copies of the Assignment and the Equipment Mortgage (the latter bearing executed acknowledgments in the forms annexed thereto);

(b) Equipment Bonds in an aggregate principal amount of \$1,278,000 duly registered in the name of the Company, accompanied by bond powers duly executed in blank;

(c) an Officers' Certificate which shall state (i) that the railroad equipment subject to the Equipment Mortgage was first put into use not earlier than August 1, 1970, (ii) that the aggregate Cost of the railroad equipment subject to the Equipment Mortgage, less an amount equal to $\frac{1}{25}$ th of the Cost of such railroad equipment for each full period of one year elapsed between the date when first put into use and the date when it became subject to the Equipment Mortgage, is not less than \$1,278,000, (iii) that, in the opinion of the signers, all conditions precedent provided for in this Agreement in connection with the pledge, transfer and assignment to the Trustee, as trustee for the holders of the Trust Certificates, of the Equipment Bonds have been complied with, and (iv) that there exists no default and no condition, event or act which, with notice or lapse of time, or both, would constitute a default under the Equipment Bonds pledged hereunder or under the Equipment Mortgage;

(d) an Engineer's Certificate which shall state (i) the fair value to the Company, in the opinion of the signer, of the Equipment Bonds so pledged, and (ii) the fair value, in the opinion of the signer, of the railroad equipment subject to the Equipment Mortgage;

(e) an Opinion of Counsel to the effect that (i) the Equipment Mortgage has been validly authorized and duly executed and delivered by the respective parties thereto and constitutes a valid and legally binding obligation thereof in accordance with

its terms, (ii) the Equipment Bonds pledged to the Trustee have been validly authorized, executed and delivered by the Canadian Subsidiary and are validly issued and outstanding obligations pursuant to the Equipment Mortgage, the Trustee being entitled to the benefits of the Equipment Mortgage, (iii) the railroad equipment described in the Equipment Mortgage has been duly mortgaged to the trustee thereunder and such trustee has a valid first mortgage lien and charge on such equipment, (iv) the Assignment has been validly authorized and duly executed and delivered by the Company and constitutes a valid and legally binding obligation of the Company in accordance with its terms, and (v) all conditions precedent provided for in this Agreement in connection with the pledge, transfer and assignment of the Equipment Bonds to the Trustee, with respect to such payment, have been complied with;

In rendering the Opinion of Counsel referred to in clause (i) of subparagraph (e) above, Counsel may rely as to matters involving the trustee under the Equipment Mortgage upon an Opinion of Counsel for the trustee under the Equipment Mortgage, indicating that in their opinion they are justified in so relying.

SECTION 4.05. *Application of Remaining Deposited Cash.* Any Deposited Cash remaining in the hands or to the credit of the Trustee after the delivery of all the Trust Equipment and Equipment Bonds to be delivered pursuant to Sections 4.01, 4.03 and 4.04 and payment therefor in the manner provided herein shall be applied by the Trustee as a credit toward the rental payments provided for in Section 5.04(B) (4) in the order of maturity thereof and, to the extent of such credit, such rental payable by the Company to the Trustee pursuant to Section 5.04(B)(4) shall be correspondingly reduced.

ARTICLE FIVE

LEASE OF TRUST EQUIPMENT TO THE COMPANY

SECTION 5.01. *Lease of Trust Equipment.* The Trustee does hereby let and lease to the Company, for the term of 20 years and six months from and after February 1, 1972, all of the Trust Equipment.

SECTION 5.02. *Equipment Automatically Subjected.* As and when any Equipment shall from time to time be delivered hereunder to the

Trustee or its agent or agents, the same shall, *ipso facto* and without further instrument of lease or transfer, pass under and become subject to all the terms and provisions hereof.

SECTION 5.03. *Substituted Equipment Subject Hereto.* In the event that the Company shall, as provided in Section 4.01, 4.03 or 5.06, cause to be transferred to the Trustee other Equipment in addition to or in substitution for any of the Equipment herein specifically described or subjected hereto, such other Equipment shall be included as part of the Trust Equipment by supplement hereto and shall be subject to all the terms and conditions hereof in all respects as though it had been part of the Trust Equipment herein specifically described.

SECTION 5.04. *Rental Payments.* The Company hereby accepts the lease of all the Trust Equipment, and covenants and agrees to accept delivery and possession hereunder of the Trust Equipment; and the Company covenants and agrees to pay to the Trustee at the Corporate Trust Office (or, in the case of taxes, to the proper taxing authority), in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, rent hereunder which shall be sufficient to pay and discharge the following items, when and as the same shall become due and payable (whether or not any of such items shall become due and payable prior to the delivery and lease to the Company of any of the Trust Equipment):

(A) The Company shall pay to the Trustee as advance rental hereunder a sum which, when added to the net proceeds (including premium and accrued interest, if any) of the sale of the Trust Certificates deposited with or to the credit of the Trustee, will make the total sum deposited equal to the principal amount of the Trust Certificates so issued.

(B) In addition to such advance rental the Company shall pay to the Trustee, as hereinafter provided, as rental for the Trust Equipment, the following:

(1) from time to time upon demand of the Trustee (a) the necessary and reasonable expenses of the trust hereby created, including compensation and expenses provided for herein, and (b) an amount equal to any expenses incurred or loss of principal (including interest accrued thereupon at time of purchase) in connection with any purchase, sale or redemption by the Trustee of Investment Securities;

(2) from time to time upon demand of the Trustee any and all taxes, assessments and governmental charges upon or on account of the income or property of the trust, or upon or on account of this Agreement, which the Trustee as such may be required to pay;

(3) (a) the amounts of the interest payable on the Trust Certificates, when and as the same shall become payable, and (b) interest at the rate of 9% per annum from the due date, upon the amount of any instalments of rental payable under this subparagraph (3) and the following subparagraphs (4) and (5) which shall not be paid when due, to the extent legally enforceable;

(4) as a sinking fund for the Sinking Fund Trust Certificates, on or before August 1 in each year, commencing August 1, 1978 and continuing to and including August 1, 1991, an amount in cash sufficient to redeem \$1,333,000 aggregate principal amount of Sinking Fund Trust Certificates; and

(5) the principal of the Trust Certificates (other than those called for redemption pursuant to Section 3.01) upon the maturity thereof, whether by declaration or otherwise.

Notwithstanding the provisions of subparagraph (4) above, the Company may, at its option, in lieu of making all or part of any rental payment provided for in said subparagraph (4) in cash, credit, pursuant to a Request delivered on or before the June 1 next preceding the August 1 on which such rental payment is due, against such rental payment any Sinking Fund Trust Certificates specified in such Request (not theretofore credited) retired otherwise than as provided in Section 3.01(a). The Company shall, prior to such August 1, deliver to the Trustee for cancelation (if not theretofore delivered to the Trustee) all such Sinking Fund Trust Certificates. The amount of the rental payment in anticipation of which the Company specifies in such Request that any Trust Certificate is to be credited shall be reduced by an amount equal to the redemption price referred to in Section 3.01(a) hereof of such Sinking Fund Trust Certificates on the August 1 in respect of which such credit is taken.

Nothing herein or in the Trust Certificates contained shall be deemed to impose on the Trustee or on the Company any obligation to

pay to the holder of any Trust Certificate any tax, assessment or governmental charge required by any present or future law of the United States of America, or of any state, county, municipality or other taxing authority thereof, to be paid in behalf of, or withheld from the amount payable to, the holder of any Trust Certificate.

The Company shall not be required to pay any tax, assessment or governmental charge so long as it shall in good faith and by appropriate legal proceedings contest the validity thereof, provided that the rights or interests of the Trustee or of the holders of the Trust Certificates will not be materially endangered thereby and the Company shall have furnished the Trustee with an Opinion of Counsel to such effect.

SECTION 5.05. *Termination of Lease.* At the termination of the lease provided herein and after all payments due or to become due from the Company hereunder shall have been completed and fully made to the Trustee (a) such payments shall be applied and treated as purchase money and as the full purchase price of the Trust Equipment, (b) any moneys remaining in the hands of the Trustee after providing for all outstanding Trust Certificates and after paying the expenses of the Trustee, including its reasonable compensation, shall be paid to the Company, (c) title to all the Trust Equipment shall vest in the Company and (d) the Trustee shall execute for record in public offices, at the expense of the Company, such instrument or instruments in writing as reasonably shall be requested by the Company in order to make clear upon public records the Company's title to all the Trust Equipment under the laws of any jurisdiction; *provided, however,* that until that time title to the Trust Equipment shall not pass to or vest in the Company, but title to and ownership of all the Trust Equipment shall be and remain in the Trustee, notwithstanding the delivery of the Trust Equipment to and the possession and use thereof by the Company.

SECTION 5.06. *Substitution and Replacement of Equipment.* Upon Request, the Trustee shall, at any time and from time to time, execute and deliver a bill of sale assigning and transferring to the transferee named by the Company all the right, title and interest of the Trustee in and to any or all of the Trust Equipment; *provided, however,* that none of the Trust Equipment shall be so assigned or transferred (except as provided in Section 5.05) unless simultaneously (a) there shall be conveyed to the Trustee other Equipment of a fair value to the Company not less than the fair value, as of the date of such Request, of the Trust

Equipment so assigned or transferred by the Trustee or (b) there shall be paid to the Trustee cash in an amount not less than the fair value, as of said date, of the Trust Equipment so assigned or transferred by the Trustee.

At the time of delivery of any Request pursuant to the first paragraph of this Section 5.06, the Company shall, if other Equipment is to be conveyed to the Trustee in substitution for the Trust Equipment to be assigned or transferred by the Trustee, deliver to the Trustee the following papers:

(1) an Engineer's Certificate stating (a) the fair value, as of the date of said Request, of the Trust Equipment so to be assigned or transferred by the Trustee, (b) that such assignment or transfer will not impair the security under this Agreement in contravention of the provisions hereof and (c) the fair value to the Company of such substituted units of Equipment as of such date;

(2) an Officers' Certificate stating (a) the date each unit of Trust Equipment so to be assigned or transferred by the Trustee was first put into use (or that such unit was first put into use not later than a specified date), (b) the original Cost of each unit of the Equipment so to be substituted and the date it was first put into use (or that such unit was first put into use not earlier than a specified date), (c) that each such unit so to be substituted is Equipment as herein defined, (d) that no Event of Default has occurred and is continuing and (e) that, in the opinion of the signers, all conditions precedent provided for in this Agreement, relating to such substitution, have been complied with;

(3) a certificate and a bill or bills of sale in respect of such substituted Equipment as provided for in subparagraphs (a) and (d) of the first paragraph of Section 4.03; and

(4) an Opinion of Counsel to the effect (a) that such bill or bills of sale are valid and effective, either alone or together with any other instruments referred to in and accompanying such opinion, to vest in the Trustee title to such substituted Equipment free from all liens and encumbrances other than the rights of the Company hereunder and of any sublessee from the

Company (including without limitation the rights of sublessees to purchase equipment described in Exhibit A hereto), (b) that a proper supplement hereto in respect of such substituted Equipment has been duly executed by the Trustee and the Company and (c) that, in the opinion of such counsel, all conditions precedent provided for in this Agreement, with respect to such substitution, have been complied with.

If the fair value of the Trust Equipment to be assigned or transferred by the Trustee, together with all other property so assigned or transferred since the commencement of the then current calendar year, as set forth in the certificate or certificates required by this Section 5.06, is 10% or more of the aggregate principal amount of Trust Certificates at the time outstanding, the Engineer's Certificate referred to in subparagraph (1) above shall be signed by an Independent Engineer unless the fair value of the Trust Equipment to be assigned or transferred, as set forth in such certificate, is less than \$25,000 or less than 1% of the aggregate principal amount of Trust Certificates at the time outstanding. If any Equipment to be conveyed to the Trustee pursuant to this Section 5.06 has, within six months prior to the date of its acquisition by the Company, been used or operated by a person or persons other than the Company, in a business similar to that in which it has been or is to be used or operated by the Company and the fair value to the Company of such Equipment is not less than \$25,000 and not less than 1% of the aggregate principal amount of Trust Certificates at the time outstanding, the Engineer's Certificate referred to in subparagraph (1) above shall be signed by an Independent Engineer.

At the time of delivery of any Request pursuant to the first paragraph of this Section 5.06, the Company shall, if cash is to be paid to the Trustee in respect of the Trust Equipment to be assigned or transferred by the Trustee, deliver to the Trustee papers corresponding to those set forth in the second paragraph of this Section 5.06 in so far as they relate to the action requested.

Cash deposited with the Trustee pursuant to this Section 5.06 or pursuant to Section 5.08 or cash paid to the Trustee pursuant to Section 5.11 shall, from time to time, be paid over by the Trustee to the Company upon Request, against conveyance to the Trustee of Equipment having a fair value, as of the date of said Request, not less

than the amount of cash so paid, and upon compliance by the Company with all of the provisions of the second paragraph of this Section 5.06 in so far as they relate to the action requested.

For all purposes of this Section 5.06, where fair value is not required to be determined by an Independent Engineer, fair value shall be determined as follows (and the manner of such determination set forth in each Engineer's Certificate furnished in respect thereof, including a statement of actual fair value or fair value to the Company, as the case may be, without reference to the provisions of subparagraphs (i) and (ii) of this paragraph):

(i) The fair value of any unit of Trust Equipment assigned or transferred by the Trustee as provided in this Section 5.06 shall be deemed to be the greater of (a) the actual fair value thereof and (b) the Cost thereof as theretofore certified to the Trustee less $\frac{1}{25}$ th of such Cost of such unit for each full period of one year elapsed between the date such unit was first put into use as certified to the Trustee and the date as of which fair value is to be determined.

(ii) The fair value of any unit of Equipment conveyed to the Trustee as provided in this Section 5.06 shall be deemed to be the lesser of (a) the actual fair value thereof and (b) the Cost of such unit, if new, or, in case of any unit of Equipment not new, (i) the depreciated book value thereof on the books of the owner thereof, as of the date of the transfer thereof to the Trustee, or (ii) the Cost thereof, less $\frac{1}{25}$ th of such Cost of such unit for each full period of one year elapsed between the date such unit was first put into use and the date of the transfer thereof to the Trustee or (iii) the value thereof, as of said last mentioned date, as determined in accordance with the Code of Rules Governing the Condition of and Repairs to Freight and Passenger Cars for the Interchange of Traffic, Adopted by the Association of American Railroads, Operations and Maintenance Department, Mechanical Division, as in effect at the time in question (or, if there is no such Code then in effect, sound accounting principles), whichever shall be less, not exceeding, however, in any case, the estimated Cost of such unit if it had been constructed on or about February 1, 1972, less depreciation for such unit at the rate of $\frac{1}{25}$ th of such Cost of such unit for each full

period of one year that shall have elapsed since such unit was first put into use.

For all purposes of this Section 5.06, where fair value is required to be determined by an Independent Engineer such fair value shall be determined without requiring reference to the provisions of subparagraphs (i) and (ii) of the next preceding paragraph.

For purposes of this Section 5.06, the Company may not assign and transfer to itself or a subsidiary, as opposed to an unrelated party, Trust Equipment and simultaneously convey to the Trustee other Equipment first put in use prior to August 1, 1969; however, the Company may so convey other Equipment first put in use during the twelve months after such date if such Equipment shall have a fair value, as of the date of the Request referred to above, in an amount which, together with the aggregate fair value (at the time of the related Request) of similar Equipment previously conveyed to the Trust, shall not exceed 10% of the aggregate principal amount of the Trust Certificates at the time outstanding.

SECTION 5.07. *Marking of Trust Equipment.* The Company agrees that, as soon as practicable after the delivery to the Trustee pursuant to this Agreement of each unit of the Trust Equipment, there shall be plainly, distinctly, permanently and conspicuously placed and fastened upon each side of such unit a metal plate bearing the following words, or such words shall be otherwise plainly, distinctly, permanently and conspicuously marked on each side of such unit, in either case in letters not less than seven-sixteenths of one inch in height:

TITLE TO THIS CAR IS VESTED IN A TRUSTEE UNDER AN EQUIPMENT TRUST AGREEMENT RECORDED UNDER SECTION 20C OF THE INTERSTATE COMMERCE ACT.

Such plates or marks shall be such as to be readily visible and as to indicate plainly the Trustee's ownership of each unit of the Trust Equipment.

In case, prior to the termination of the lease provided for herein, any of such plates or marks shall at any time be removed, defaced or destroyed, the Company shall forthwith cause the same to be restored or replaced. The Company shall not change or permit to be changed the numbers of any of the Trust Equipment at any time covered

hereby (or any numbers which may have been substituted as herein provided) except in accordance with a statement of new numbers to be substituted therefor which previously shall have been filed with the Trustee by the Company and which shall be filed and recorded in like manner as this Agreement.

The Trust Equipment may be marked or lettered, "North American Car Corporation" or in some other appropriate manner for convenience of identification of the leasehold interest of the Company therein, and may also be marked or lettered, in case of a sublease of any equipment made pursuant to Section 5.09 hereof, in such manner as may be appropriate for convenience of identification of the sublease interest therein; but the Company, during the continuance of the lease provided for herein, will not allow the name of any person, firm, association or corporation to be placed on any of the Trust Equipment as a designation which might be interpreted as a claim of ownership thereof by the Company or by any person, firm, association or corporation other than the Trustee.

SECTION 5.08. *Maintenance of Trust Equipment; Purchase; Deposit of Cash; Alterations.* The Company agrees that it will maintain and keep all the Trust Equipment in good order and proper repair and in compliance with applicable law and regulations at its own cost and expense, unless and until it becomes worn out, unsuitable for use, lost or destroyed. Whenever any of the Trust Equipment shall become worn out, unsuitable for use, lost or destroyed or shall be purchased by any third party, the Company shall forthwith deliver to the Trustee an Engineer's Certificate describing such Trust Equipment and stating the fair value thereof as of the date such Trust Equipment became worn out, unsuitable for use, lost or destroyed or was purchased, and shall deposit with the Trustee an amount in cash equal to such fair value. The rights and remedies of the Trustee to enforce or to recover any of the rental payments shall not be affected by reason of such wearing out, unsuitableness for use, loss or destruction. Cash deposited with the Trustee pursuant to this Section 5.08 shall be held and applied as provided in the fourth paragraph of Section 5.06. For all purposes of this paragraph, fair value shall mean the value thereof immediately prior to such wearing out, unsuitableness for use, loss or destruction and shall be determined in the manner provided in subparagraph (i) of the penultimate paragraph of Section 5.06, and the terms "unsuitable

for use" and "unsuitableness for use" shall include any condition in which Trust Equipment is no longer usable for the purpose or purposes for which the same was designed (or an alternate purpose or alternate purposes provided that no material impairment in value shall arise therefrom) whether by virtue of its physical condition or of the effect of any applicable law, rule, regulation or order.

For the purpose of enabling the Company to meet the transportation requirements of present and future sublessees, the Company may from time to time make, or cause to be made, changes and alterations in the design, structure and equipment of any of the cars constituting a part of the Trust Equipment, all at the expense of the Company; *provided, however*, no material impairment in value shall result therefrom.

The Company covenants and agrees to furnish to the Trustee, whenever required by the Trustee, and at least once, on or before April 15, in 1973 and in every calendar year thereafter and during the continuance of the lease provided for herein, an Officers' Certificate, dated as of the last day of the preceding January, stating (a) the amount, description and numbers of all Trust Equipment that may have become worn out, or that may have become unsuitable for use or lost or destroyed by accident or otherwise or have been purchased since the date of the last preceding statement (or the date of this Agreement in the case of the first statement), and (b) that in the case of all the Trust Equipment repainted or repaired since the date of the last preceding statement (or the date of this Agreement in the case of the first statement) the plates or marks required by Section 5.07 have been preserved, or that such Trust Equipment when repainted or repaired has been again plated or marked as required thereby. The Trustee, by its agents, shall have the right once in each calendar year, but shall be under no duty, to inspect the Trust Equipment at the then existing locations thereof.

SECTION 5.09. *Possession of Trust Equipment; Assignment of Rentals; Sublease.* Except as provided in this Section 5.09, the Company will not assign or transfer its rights hereunder, or transfer or sublet the Trust Equipment or any part thereof, without the written consent of the Trustee first had and obtained; and the Company shall not, without such written consent, except as herein provided, part with the possession of, or suffer or allow to pass out of its possession or control, any of the Trust Equipment. An assignment or transfer to a corporation

which shall acquire all or substantially all of the property of the Company and which, by execution of an appropriate instrument satisfactory to the Trustee, shall assume and agree to perform each and all of the obligations and covenants of the Company hereunder and under the guaranty endorsed on the Trust Certificates shall not be deemed a breach of this covenant. The appointment of a receiver or receivers in equity or reorganization or a trustee or trustees in bankruptcy or reorganization for the Company or for its property shall not be deemed an unauthorized assignment if, prior to any action by the Trustee to exercise the remedies herein provided, such receiver or receivers or trustee or trustees shall be discharged or such receiver or receivers or trustee or trustees shall, pursuant to court order or decree, in writing duly assume and agree to pay or perform each and all of the obligations and covenants of the Company hereunder and under the guaranty endorsed on the Trust Certificates, in such manner that such obligations shall have the same status as obligations incurred by such receiver or receivers or trustee or trustees.

The Company has entered into lease agreements in the past with other parties to which the Trust Equipment is or may be subject, and certain of the Trust Equipment is now in the service of various shippers and railroads pursuant to the terms of such lease agreements. The Company hereby assigns to the Trustee all of its right, title and interest in and to such existing and future lease and sublease agreements with respect to the Trust Equipment, including its right to receive and collect all payments due and to become due thereunder and grants a charge on and security interest in such payments. The Trustee hereby appoints the Company as its agent, and the Company hereby accepts such appointment, to collect and receive all payments due and to become due under said lease agreements and such payments received by the Company may be held by it in its general funds without segregation; *provided, however*, such agency shall terminate immediately upon notice thereof from the Trustee to the Company.

So long as the Company shall not be in default under this Agreement, the Company and any of its Affiliates shall be entitled to the possession and use of the Trust Equipment in accordance with the terms hereof, and the Company may also in the future (a) furnish the Trust Equipment or any part thereof to railroad companies for use upon the lines of railroad owned or operated by them or over which they have

trackage rights and upon connecting and other carriers in the usual interchange of traffic, or to others than railroad companies for use in their business, or (b) sublet to others all or any part of the Trust Equipment, but only, in either case, upon and subject to all the terms and conditions of this Agreement, and to all rights of the Trustee hereunder.

Any such future sublease may provide that the sublessee, so long as it shall not be in default under such sublease, shall be entitled (subject to the rights of the Trustee upon the happening of an Event of Default) to the possession of the Trust Equipment included in such sublease and the use thereof, and, subject to the provisions of Section 5.07, may provide for lettering or marking upon such Equipment for convenience of identification of the leasehold interest of such sublessee therein. Every such future sublease shall expressly subject the rights of the sublessee under such sublease to the rights of the Trustee in respect of the Trust Equipment covered by such sublease in the event of the happening of an Event of Default.

The Trustee shall have the right to declare the lease provided for herein terminated in case of any unauthorized assignment or transfer of the Company's rights hereunder or in case of any unauthorized transfer or sublease of any of the Trust Equipment. The election of the Trustee to terminate the lease provided for herein shall have the same effect as the retaking of the Trust Equipment by the Trustee as hereinafter provided.

SECTION 5.10. *Patent Indemnity.* The Company covenants and agrees to indemnify the Trustee against any and all claims arising out of or connected with the ownership or use of any of the Trust Equipment, and particularly against any and all claims arising out of the use of any patented inventions in and about the Trust Equipment, and to comply in all respects with the laws of the United States of America and of all the states in which the Trust Equipment, or any thereof, may be operated, and with all lawful acts, rules, regulations and orders of any commissions, boards and other legislative, executive, administrative or judicial bodies or officers having power to regulate or supervise any of the Trust Equipment, including without limitation all lawful acts, rules, regulations and orders of anybody having competent jurisdiction relating to automatic coupler devices or attachments, air brakes or other appliances, or, resistance to pressure; *provided, however, that the Com-*

pany may in good faith contest the validity of any such law, act, rule, regulation or order, or the application thereof to the Trust Equipment or any part thereof, in any reasonable manner which will not in the judgment of the Trustee materially endanger the rights or interests of the Trustee or of the holders of the Trust Certificates. The Company shall not be relieved from any of its obligations hereunder by reason of the assertion or enforcement of any such claims or the commencement or prosecution of any litigation in respect thereof.

SECTION 5.11. *Cash Received in Payment of Equipment Bonds.* In the event that, pursuant to the Assignment of the Equipment Bonds and Equipment Mortgage, the Trustee receives payment, in whole or in part, of the principal of the Equipment Bonds, such payment shall be held by the Trustee and applied as provided in the fourth paragraph of Section 5.06.

ARTICLE SIX.

REMEDIES IN EVENT OF DEFAULT.

SECTION 6.01. *Events of Default.* The Company covenants and agrees that in case

(a) the Company shall default in the payment of any part of the rental payable hereunder (including advance rental) for more than 30 days after the same shall have become due and payable, or

(b) the Company shall make or suffer any unauthorized assignment or transfer of its rights hereunder or under the Equipment Mortgage or shall make any unauthorized transfer or sublease of any of the Trust Equipment, or, except as herein authorized, shall part with the possession of any of the Trust Equipment, and shall fail or refuse either to cause such assignment or transfer or sublease to be canceled by agreement of all parties having any interest therein and recover possession of such Trust Equipment within 30 days after the Trustee shall have demanded in writing such cancellation and recovery of possession, or within said 30 days to deposit with the Trustee a sum in cash equal to the Cost, or, in the case of Trust Equipment conveyed to the Trustee pursuant to Section 5.06 hereof, the fair value (as of the date of conveyance), of the Trust Equipment so assigned or transferred or subleased or the possession of

which shall have been parted with otherwise than as herein authorized, as certified to the Trustee pursuant to Section 4.03 or Section 5.06 (any sum so deposited to be returned to the Company upon the cancellation of such assignment, transfer or sublease and the recovery of possession by the Company of such Trust Equipment), or

(c) the Company shall, for more than 60 days after the Trustee shall have demanded in writing performance thereof, fail or refuse to comply with any other of the terms and covenants hereof on its part to be kept and performed, or to make provision satisfactory to the Trustee for such compliance, or

(d) an event of default as defined in the Equipment Mortgage shall occur, or

(e) an event of default shall occur under any lease or agreement, any equipment trust agreement or any indenture under which the Company is an obligor and the Trustee is also acting as trustee thereunder (the term "event of default" being used in this subparagraph (e) to mean any event which, after any applicable notice and/or period of grace provided for in the instrument in question, permits the trustee thereunder to declare the principal amount of the obligation issued or secured thereby to become immediately due and payable),

then, in any such case (herein sometimes called an Event of Default), the Trustee, by notice in writing to the Company, or the holders of not less than 25% in principal amount of the then outstanding Trust Certificates, by notice in writing to the Company and the Trustee, may declare to be due and payable forthwith the entire amount of the rentals (including any unpaid advance rental, but not including rentals required for the payment of interest accruing after the date of such declaration or rentals payable pursuant to Section 5.04(B)(4) after the date of such declaration) payable by the Company as set forth in Section 5.04 and not theretofore paid. Thereupon the entire amount of such rentals shall forthwith become and shall be due and payable immediately without further demand, together with interest at the rate of 9% per annum, to the extent legally enforceable, on any portion thereof overdue.

In addition, in case one or more Events of Default shall happen, the Trustee, by notice in writing to the Company, or the holders of not less than 25% in principal amount of the then outstanding Trust Certificates, by notice in writing to the Company and the Trustee, may declare the principal of all the Trust Certificates then outstanding to be due and payable, and thereupon the same shall become and be immediately due and payable.

In case the Company shall fail to pay any instalment of rental payable pursuant to Section 5.04(B)(3), (B)(4) or (B)(5) when and as the same shall have become due and payable hereunder, and such default shall have continued for a period of 30 days, the Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceedings at law or in equity for the collection of the rentals so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree, and may enforce any such judgment or final decree against the Company or other obligor upon the Trust Certificates and collect in the manner provided by law out of the property of the Company or other obligor upon the Trust Certificates wherever situated the moneys adjudged or decreed to be payable.

In case there shall be pending proceedings for the bankruptcy or for the reorganization of the Company or any other obligor upon the Trust Certificates under the Bankruptcy Act or any other applicable law, or in case a receiver or trustee shall have been appointed for the property of the Company or such other obligor, or in case of any other judicial proceedings relative to the Company or such other obligor, or to the creditors or property of the Company or such other obligor, the Trustee, irrespective of whether the rental payments hereunder or the principal of the Trust Certificates shall then be due and payable as herein or therein expressed whether by declaration or otherwise and irrespective of whether the Trustee shall have made any demand or declaration pursuant to the provisions of this Section 6.01, shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the entire amount of the rentals (including any unpaid advance rental, but not including rentals required for the payment of interest accruing after the date of such declaration or rentals payable pursuant to Section 5.04(B)(4) after the date of such claim or claims)

and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for reasonable compensation to the Trustee, its agents, attorneys and counsel, and for reimbursement of all expenses and liabilities incurred, and all advances made, by the Trustee except as a result of its negligence or bad faith) and of the holders of the Trust Certificates allowed in such proceedings and to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute all amounts received with respect to the claims of the holders of the Trust Certificates and of the Trustee on their behalf; and any receiver, assignee or trustee in bankruptcy or reorganization is hereby authorized by each of the holders of the Trust Certificates to make payments to the Trustee, and, in the event that the Trustee shall consent to the making of payments directly to the holders of the Trust Certificates, to pay to the Trustee such amount as shall be sufficient to cover reasonable compensation to the Trustee, its agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Trustee except as a result of its negligence or bad faith.

All rights of action and to assert claims under this Agreement, or under any of the Trust Certificates or the Equipment Bonds or under the Assignment or Equipment Mortgage, may be enforced by the Trustee without the possession of any of the Trust Certificates or the production thereof on any trial or other proceedings relative thereto, and any such action or proceedings instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall be for the ratable benefit of the holders of the Trust Certificates. In any proceedings brought by the Trustee (and also any proceedings involving the interpretation of any provision of this Agreement to which the Trustee shall be a party) the Trustee shall be held to represent all the holders of the Trust Certificates, and it shall not be necessary to make any holders of the Trust Certificates parties to such proceedings.

SECTION 6.02. Remedies. In case of the happening of any Event of Default, the Trustee may by its agents enter upon the premises of the Company and of any Affiliate or of any sublessee where any of the Trust Equipment may be and take possession of all or any part of the Trust Equipment and withdraw the same from said premises, retaining

all payments which up to that time may have been made on account of rental for the Trust Equipment and otherwise, and shall be entitled to collect, receive and retain all unpaid *per diem*, mileage or other charges of any kind earned by the Trust Equipment or any part thereof, and may lease the Trust Equipment or any part thereof, or with or without retaking possession thereof (but only after declaring due and payable the entire amount of rentals payable by the Company as provided in Section 6.01 hereof) may sell the same or any part thereof, free from any and all claims of the Company at law or in equity, in one lot and as an entirety or in separate lots, in so far as may be necessary to perform and fulfill the trust hereunder, at public or private sale, for cash or upon credit, in its discretion, may enforce its contractual rights under the Assignment and Equipment Mortgage, and may proceed otherwise to enforce its rights and the rights of the holders of interests hereunder in the manner herein provided; *provided, however*, the rights of the Trustee shall be subject to the rights of lessees of Trust Equipment under existing subleases (including without limitation their rights to purchase Trust Equipment as described in Exhibit A hereto). Upon any such sale, the Trustee itself may bid for the property offered for sale or any part thereof. Any such sale may be held or conducted at such place and at such time as the Trustee may specify, or as may be required by law, and without gathering at the place of sale the Trust Equipment to be sold, and in general in such manner as the Trustee may determine, but so that the Company may and shall have a reasonable opportunity to bid at any such sale. Upon such taking possession or withdrawal or lease or sale of the Trust Equipment, the Company shall cease to have any rights or remedies in respect of the Trust Equipment hereunder, but all such rights and remedies shall be deemed thenceforth to have been waived and surrendered by the Company, and no payments theretofore made by the Company for the rent or use of the Trust Equipment or any of it shall, in case of the happening of any Event of Default and such taking possession, withdrawal, lease or sale by the Trustee, give to the Company any legal or equitable interest or title in or to the Trust Equipment or any of it or any cause or right of action at law or in equity in respect of the Trust Equipment against the Trustee or the holders of interests hereunder. No such taking possession, withdrawal, lease or sale of the Trust Equipment by the Trustee shall be a bar to the recovery by the Trustee from the Company of rentals then or thereafter due and payable, and the

Company shall be and remain liable for the same until such sums shall have been realized as, with the proceeds of the lease or sale of the Trust Equipment, shall be sufficient for the discharge and payment in full of all the items mentioned in Section 5.04 (other than interest not then accrued or rentals payable pursuant to Section 5.04(B)(4) due after the date of the declaration referred to in Section 6.01), whether or not they shall have then matured.

SECTION 6.03. *Application of Proceeds.* If, in case of the happening of any Event of Default, the Trustee shall exercise any of the powers conferred upon it by Sections 6.01 and 6.02, all payments made by the Company to the Trustee hereunder after such Event of Default, and the proceeds of any judgment collected from the Company by the Trustee hereunder, and the proceeds of every sale or lease by the Trustee hereunder of any of the Trust Equipment, together with any other sums which may then be held by the Trustee under any of the provisions hereof (other than sums held in trust for the payment of specific Trust Certificates), shall be applied by the Trustee to the payment, in the following order of priority, (a) of all proper charges, expenses or advances made or incurred by the Trustee in accordance with the provisions of this Agreement and (b) of the interest then due, with interest on overdue interest at the rate of 9% per annum to the extent legally enforceable, and of the principal of all the outstanding Trust Certificates, with interest thereon at the rate of 9% per annum to the extent legally enforceable from the last preceding interest payment date, whether such Trust Certificates shall have then matured by their terms or not, all such payments to be in full if such proceeds shall be sufficient, and if not sufficient, then *pro rata* without preference between principal and interest.

After all such payments shall have been made in full, the title to any of the Trust Equipment remaining unsold shall be conveyed by the Trustee to the Company free from any further liabilities or obligations to the Trustee hereunder. If after applying all such sums of money realized by the Trustee as aforesaid there shall remain any amount due to the Trustee under the provisions hereof, the Company agrees to pay the amount of such deficit to the Trustee. If after applying as aforesaid the sums of money realized by the Trustee there shall remain a surplus in the possession of the Trustee, such surplus shall be paid to the Company.

SECTION 6.04. *Waivers of Default.* Prior to the declaration of the acceleration of the maturity of the rentals and of the maturity of all the Trust Certificates as provided in Section 6.01, the holders of a majority in aggregate principal amount of the Trust Certificates at the time outstanding may on behalf of the holders of all the Trust Certificates waive any past Event of Default and its consequences, except an Event of Default in the payment of any instalment of rental payable pursuant to Section 5.04(B)(3), (B)(4) or (B)(5), but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

If at any time after the principal of all the Trust Certificates shall have been declared and become due and payable or if at any time after the entire amount of rentals shall have been declared and become due and payable, all as in Section 6.01 provided, but before August 1, 1992, all arrears of rent (with interest at the rate of 9% per annum upon any overdue instalments, to the extent legally enforceable), the expenses and reasonable compensation of the Trustee, together with all expenses of the trust occasioned by the Company's default, and all other sums which shall have become due and payable by the Company hereunder (other than the principal of Trust Certificates, and any other rental instalments, which shall not at the time have matured according to their terms) shall be paid by the Company before any sale or lease by the Trustee of any of the Trust Equipment, and every other default in the observance or performance of any covenant or condition hereof shall be made good or secured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall be made therefor, then, and in every such case, the Trustee, if so requested by the holders of a majority in principal amount of the Trust Certificates then outstanding according to their terms, shall by written notice to the Company waive the default by reason of which there shall have been such declaration or declarations and the consequences of such default, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

SECTION 6.05. *Obligations of Company Not Affected by Remedies.* No retaking of possession of the Trust Equipment by the Trustee, or any withdrawal, lease or sale thereof, nor any action or failure or omission to act against the Company or in respect of the Trust Equip-

ment, on the part of the Trustee or on the part of the holder of any Trust Certificate, nor any delay or indulgence granted to the Company by the Trustee or by any such holder, shall affect the obligations of the Company hereunder or the obligations of the Company under the guaranty endorsed on the Trust Certificates. The Company hereby waives presentation and demand in respect of any of the Trust Certificates and waives notice of presentation, of demand and of any default in the payment of the principal of and interest on the Trust Certificates.

SECTION 6.06. *Company to Deliver Trust Equipment to Trustee.* In case the Trustee shall rightfully demand possession of any of the Trust Equipment in pursuance of this Agreement, the Company will, at its own expense, forthwith and in the usual manner and at usual speed, cause such Trust Equipment to be drawn to such point or points as shall reasonably be designated by the Trustee and will there deliver or cause to be delivered the same to the Trustee; or, at the option of the Trustee, the Trustee may keep such Trust Equipment, at the expense of the Company, on any lines of railroad or premises approved by the Trustee until the Trustee shall have leased, sold or otherwise disposed of the same. The performance of the foregoing covenant is of the essence of this Agreement and upon application to any court having jurisdiction in the premises, the Trustee shall be entitled to a decree against the Company requiring the specific performance thereof.

SECTION 6.07. *Trustee to Give Notice of Default, but May Withhold Under Certain Circumstances.* The Trustee shall give to the holders of the Trust Certificates in the manner and to the extent provided in Section 8.04(c) with respect to reports pursuant to Section 8.04(a), notice of each default hereunder known to the Trustee within 90 days after the occurrence thereof, unless such default shall have been remedied or cured before the giving of such notice; *provided that*, except in the case of default in the payment of any part of the rental payable hereunder pursuant to Section 5.04 (B)(3), (B)(4) or (B)(5) hereof, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee, or a trust committee of directors and/or Responsible Officers in good faith determine that the withholding of such notice is in the interests of the holders of the Trust Certificates. The term "default" as used in this Section 6.07 shall mean the happening of any event defined as an Event

of Default in Section 6.01, except that, for the purposes of this Section 6.07 only, there shall be eliminated from the definition of any such event as specified in Section 6.01 any reference to the written demand referred to in such definition or to the continuance, or the continuance in force, for any period of days of any default or failure on the part of the Company referred to in such definition.

SECTION 6.08. *Limitations on Suits by Holders of Trust Certificates.* No holder of any Trust Certificate shall have any right by virtue or by availing of any provision of this Agreement to institute any action or proceedings at law or in equity or in bankruptcy or otherwise, upon or under or with respect to this Agreement, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless such holder previously shall have given to the Trustee written notice of default and of the continuance thereof, as hereinbefore provided, and unless also the holders of a majority in aggregate principal amount of the Trust Certificates then outstanding shall have made written request to the Trustee to institute such action or proceedings in its own name as trustee hereunder and shall have offered to the Trustee such reasonable indemnity as it may require against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee for 60 days after its receipt of such notice, request and offer of indemnity shall have failed to institute any such action or proceedings and no direction inconsistent with such written request shall have been given to the Trustee pursuant to Section 6.10; it being understood and intended, and being expressly covenanted by the holder of every Trust Certificate with every other holder and the Trustee, that no one or more holders of Trust Certificates shall have any right in any manner whatever, by virtue or by availing of any provision of this Agreement, to affect, disturb, or prejudice the rights of any other holder of Trust Certificates, or to obtain or seek to obtain priority over or preference to any other such holder or to enforce any right under this Agreement, except in the manner herein provided and for the equal, ratable and common benefit of all holders of Trust Certificates. For the protection and enforcement of the provisions of this Section 6.08, each and every holder of a Trust Certificate and the Trustee shall be entitled to such relief as can be given either at law or in equity.

SECTION 6.09. *Unconditional Right of Holders of Trust Certificates to Sue for Principal and Interest.* Notwithstanding any other provision in this Agreement, the right of any holder of any Trust

Certificate to receive payment of the principal of, and interest on, such Trust Certificate, on or after the respective due dates expressed in such Trust Certificates, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such holder, except no such suit shall be instituted if and to the extent that the institution or prosecution thereof or the entry of judgment therein would, under applicable law, result in the surrender, impairment, waiver or loss of the title reserved under this Agreement upon any property subject hereto.

SECTION 6.10. *Control by Holders of Trust Certificates.* The holders of a majority in aggregate principal amount of the Trust Certificates at the time outstanding shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee; *provided, however*, that, subject to the provisions of Section 9.02, the Trustee shall have the right to decline to follow any such direction if the Trustee being advised by counsel shall determine that the action so directed may not lawfully be taken.

SECTION 6.11. *Right of Court to Require Filing of Undertaking to Pay Costs.* All parties to this Agreement agree, and each holder of any Trust Certificate by his acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Agreement, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section 6.11 shall not apply to any suit instituted by the Trustee, to any suit instituted by any holder of a Trust Certificate, or group of holders of the Trust Certificates, holding in the aggregate more than 10% in aggregate principal amount of the Trust Certificates outstanding, or to any suit instituted by any holder of a Trust Certificate for the enforcement of the payment of the principal of, or interest on, any Trust Certificate on or after the due date expressed in such Trust Certificate.

SECTION 6.12. *Remedies Cumulative.* The remedies in this Agreement provided in favor of the Trustee and the holders of the Trust Certificates, or any of them, shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in their favor existing at law or in equity.

ARTICLE SEVEN

ADDITIONAL COVENANTS AND AGREEMENTS BY THE COMPANY

SECTION 7.01. *Guaranty of Company.* The Company covenants, agrees and guarantees that the holder of each of the Trust Certificates shall receive the principal amount thereof, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, when and as the same shall become due and payable, in accordance with the provisions thereof or of this Agreement (and, if not so paid, with interest thereon until paid at the rate of 9% per annum to the extent legally enforceable), and shall receive interest thereon in like money at the rate specified therein, at the times and places and otherwise as expressed in the Trust Certificates (and, if not so paid, with interest thereon until paid at the rate of 9% per annum to the extent legally enforceable); and the Company further covenants and agrees to endorse upon each of the Trust Certificates, at or before the issuance and delivery thereof by the Trustee, its guaranty of the prompt payment of the principal thereof and of the interest thereon, in substantially the form hereinbefore set forth. Said guaranty so endorsed shall be signed in the name and on behalf of the Company by the manual or facsimile signature of its President or a Vice President. In case any officer of the Company whose signature shall appear on said guaranty shall cease to be such officer before the Trust Certificates shall have been issued and delivered by the Trustee, or shall not have been acting in such capacity on the date of the Trust Certificates, such guaranty shall nevertheless be as effective and binding upon the Company as though the person who signed said guaranty had not ceased to be or had then been such officer.

SECTION 7.02. *Discharge of Liens.* The Company covenants and agrees that it will pay and discharge, or cause to be paid and dis-

charged, when due or make adequate provision for the satisfaction or discharge of, any debt, tax charge, assessment, obligation or claim which if unpaid might become a lien or charge upon or against any of the Trust Equipment, except upon the leasehold interest of the Company therein; but this provision shall not require the payment of any such debt, tax, charge, assessment, obligation or claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings, provided that such contest will not materially endanger the rights or interests of the Trustee or of the holders of the Trust Certificates and the Company shall have furnished the Trustee with an Opinion of Counsel to such effect.

SECTION 7.03. *Payment of Expenses; Recording.* The Company covenants and agrees to pay the expenses incident to the preparation and execution of the Trust Certificates to be issued hereunder, or connected with the preparation, execution, recording and filing hereof and of any instruments executed under the provisions hereof with respect to the Trust Equipment. The Company will, promptly after the execution and delivery of this Agreement and each supplement hereto, respectively, and the Equipment Mortgage, (i) cause this Agreement, such supplement and the Equipment Mortgage to be duly filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act and (ii) file under the Uniform Commercial Code financing statements covering assigned leases and subleases of the Trust Equipment and the assigned Equipment Bonds in Illinois or in such other place as the principal office of the Company may be located. The Company will 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, including the refiling of financing statements every five years, or reasonably requested by the Trustee for the purposes of proper protection of the title of the Trustee and the rights of the holders of the Trust Certificates and of fully carrying out and effectuating this Agreement and the intent hereof.

Promptly after the execution and delivery of this Agreement and each supplement hereto, the Company will furnish to the Trustee an Opinion of Counsel stating that, in the opinion of such counsel, this Agreement or such supplement, as the case may be, has been properly recorded and filed so as effectively to protect the title of the Trustee

to the Trust Equipment and its rights and the rights of the holders of the Trust Certificates thereunder and hereunder and reciting the details of such action or stating that in the opinion of such counsel no such action is necessary; and the Company shall furnish to the Trustee, not more than three months after the anniversary in each year, commencing with the year 1973, of the first recording or filing of this Agreement, an Opinion of Counsel stating either that, in the opinion of such counsel, (i) such action has been taken with respect to the recording, filing, rerecording and refiling of this Agreement and each supplement hereto as is necessary for the proper protection of the title of the Trustee to the Trust Equipment and the rights of the Trustee and holders of the Trust Certificates hereunder and thereunder and reciting the details of such action, or (ii) no such action is necessary for any of such purposes.

SECTION 7.04. *Assignment and Equipment Mortgage.* The Company covenants and agrees to fulfill in all respects its obligations under the Assignment and the Equipment Mortgage and further covenants not to suffer any supplement or amendment to or modification of the Equipment Mortgage without the consent of the Trustee.

SECTION 7.05. *Further Assurances.* The Company covenants and agrees from time to time to do all such acts and execute all such instruments of further assurance as it shall be reasonably requested by the Trustee to do or execute for the purpose of fully carrying out and effectuating this Agreement and the intent hereof.

ARTICLE EIGHT

LISTS OF HOLDERS OF THE TRUST CERTIFICATES AND REPORTS BY THE COMPANY AND THE TRUSTEE

SECTION 8.01. *Company to Furnish Trustee Information as to Names and Addresses of Holders of the Trust Certificates.* The Company covenants and agrees that it will furnish or cause to be furnished to the Trustee during the period March 15 to March 31, inclusive, and September 15 to September 30, inclusive, in each year, beginning with September, 1972, and at such other times as the Trustee may request in writing, within 30 days after receipt by the Company of any such request, a list in such form as the Trustee may reasonably require containing all the information in the possession or control of the Company or any of its paying agents as to the names and addresses of the holders of Trust Certificates obtained since the date as of which the next

previous list, if any, was furnished. Any such list may be dated as of a date not more than 15 days prior to the time such information is furnished or caused to be furnished and need not include information received after such date.

SECTION 8.02. *Preservation of Information; Communications to Holders of the Trust Certificates.* (a) The Trustee shall preserve, in as current a form as is reasonably practicable, all information as to the names and addresses of the holders of Trust Certificates (i) contained in the most recent list furnished to it as provided in Section 8.01, (ii) received by it in the capacity of paying agent (if so acting) hereunder and (iii) filed with it within the two preceding years pursuant to the provisions of Section 8.04(c) (ii).

The Trustee may (1) destroy any list furnished to it as provided in Section 8.01 upon receipt of a new list so furnished, (2) destroy any information received by it as paying agent (if so acting) hereunder upon delivering to itself as Trustee, not earlier than 45 days after an interest payment date on the Trust Certificates, a list containing the names and addresses of the holders of Trust Certificates obtained from such information since the delivery of the next previous list, if any, (3) destroy any list delivered to itself as Trustee which was compiled from information received by it as paying agent (if so acting) hereunder upon the receipt of a new list so delivered and (4) destroy any information filed with it pursuant to the provisions of Section 8.04(c) (2) but not until two years after such information had been filed with it.

(b) In case three or more holders of Trust Certificates (hereinafter referred to as "applicants") apply in writing to the Trustee, and furnish to the Trustee reasonable proof that each such applicant has owned a Trust Certificate for a period of at least six months preceding the date of such application, and such application states that the applicants desire to communicate with other holders of Trust Certificates with respect to their rights under this Agreement or under the Trust Certificates and is accompanied by a copy of the form of proxy or other communication which such applicants propose to transmit, then the Trustee shall, within five business days after the receipt of such application, at its election, either

(1) afford such applicants access to the information preserved at the time by the Trustee in accordance with the provisions of Section 8.02(a), or

(2) inform such applicants as to the approximate number of holders of Trust Certificates whose names and addresses appear in the information preserved at the time by the Trustee in accordance with the provisions of Section 8.02(a) and as to the approximate cost of mailing to such holders of the Trust Certificates the form of proxy or other communication, if any, specified in such application.

If the Trustee shall elect not to afford such applicants access to such information, the Trustee shall, upon the written request of such applicants, mail to each holder of a Trust Certificate whose name and address appear in the information preserved at the time by the Trustee in accordance with the provisions of Section 8.02(a), a copy of the form of proxy or other communication which is specified in such request, with reasonable promptness after a tender to the Trustee of the material to be mailed and of payment, or provision for the payment, of the reasonable expenses of mailing, unless within five days after such tender, the Trustee shall mail to such applicants, and file with the Commission together with a copy of the material to be mailed, a written statement to the effect that, in the opinion of the Trustee, such mailing would be contrary to the best interests of the holders of Trust Certificates or would be in violation of applicable law. Such written statement shall specify the basis of such opinion. If the Commission, after opportunity for a hearing upon the objections specified in the written statement so filed, shall enter an order refusing to sustain any of such objections or if, after the entry of an order sustaining one or more of such objections, the Commission shall find, after notice and opportunity for hearing, that all the objections so sustained have been met and shall enter an order so declaring, the Trustee shall mail copies of such material to all such holders of the Trust Certificates with reasonable promptness after the entry of such order and the renewal of such tender; otherwise, the Trustee shall be relieved of any obligation or duty to such applicants respecting their application.

(c) Each and every holder of the Trust Certificates, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company nor the Trustee nor any paying agent shall be held accountable by reason of the disclosure of any such information as to the names and addresses of the holders of the Trust

Certificates in accordance with the provisions of Section 8.02(b), regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under Section 8.02(b).

SECTION 8.03. *Reports by the Company.* The Company covenants:

(a) to file with the Trustee, within 15 days after the Company is required to file the same with the Commission, copies of the annual reports and of the information, documents, and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Company may be required to file with the Commission pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934, as amended; or, if the Company is not required to file information, documents, or reports pursuant to either of said sections, then to file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents, and reports which may be required pursuant to section 13 of the Securities Exchange Act of 1934, as amended, in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations;

(b) to file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such additional information, documents, and reports with respect to compliance by the Company with the conditions and covenants provided for in this Agreement as may be required from time to time by such rules and regulations; and

(c) to transmit to the holders of the Trust Certificates, within 30 days after the filing thereof with the Trustee, in the manner and to the extent provided in Section 8.04(c) with respect to reports pursuant to Section 8.04(a), such summaries of any information, documents, and reports required to be filed by the Company pursuant to Section 8.03(a) and (b) as may be required by rules and regulations prescribed from time to time by the Commission.

SECTION 8.04. *Reports by the Trustee.* (a) On or before July 15, 1973, and on or before July 15 in every year thereafter, so long as any Trust Certificates are outstanding hereunder, the Trustee shall transmit to the holders of the Trust Certificates, as hereinafter in this Section 8.04 provided, a brief report dated as of the preceding May 15 with respect to:

(i) its eligibility under Section 9.08 and its qualifications under Section 9.07, or in lieu thereof, if to the best of its knowledge it has continued to be eligible and qualified under said Sections, a written statement to such effect;

(ii) the character and amount of any advances (and if the Trustee elects so to state, the circumstances surrounding the making thereof) made by the Trustee (as such) which remain unpaid on the date of such report, and for the reimbursement of which it claims or may claim a lien or charge, prior to that of the Trust Certificates, on the trust estate or on any property or funds held or collected by it as Trustee, except that the Trustee shall not be required (but may elect) to report such advances if such advances so remaining unpaid aggregate not more than $\frac{1}{2}$ of 1% of the principal amount of the Trust Certificates outstanding on the date of such report;

(iii) the amount, interest rate, and maturity date of all other indebtedness owing by the Company (or by any other obligor on the Trust Certificates) to the Trustee in its individual capacity, on the date of such report, with a brief description of any property held as collateral security therefor, except an indebtedness based upon a creditor relationship arising in any manner described in Section 9.12(b)(ii), (iii), (iv), or (vi);

(iv) the property and funds, if any, physically in the possession of the Trustee as such on the date of such report;

(v) any release, assignment or transfer, or release, assignment or transfer and substitution, of any Trust Equipment (and the consideration therefor, if any) which it has not previously reported; *provided, however,* that to the extent that the aggregate value (as shown by the Engineer's Certificates furnished to the Trustee in respect thereof) of any or all of such

released, assigned or transferred Trust Equipment does not exceed an amount equal to 1% of the principal amount of Trust Certificates then outstanding, the report need only indicate the number of such releases, assignments or transfers, the total value of Trust Equipment released, assigned or transferred as shown by said Engineer's Certificates, the aggregate amount of cash received and the aggregate value of Trust Equipment received in substitution therefor as shown by said Engineer's Certificates;

(vi) any additional issue of Trust Certificates which it has not previously reported; and

(vii) any action taken by the Trustee in the performance of its duties under this Agreement which it has not previously reported and which in its opinion materially affects the Trust Certificates or the trust estate, except action in respect of a default, notice of which has been or is to be withheld by it in accordance with the provisions of Section 6.07.

(b) The Trustee shall transmit to the holders of the Trust Certificates, as provided in Section 8.04(c), a brief report with respect to (i) the release, assignment or transfer, or release, assignment or transfer and substitution, of any Trust Equipment (and the consideration therefor, if any) unless the fair value of such Trust Equipment (as set forth in the Engineer's Certificate furnished to the Trustee in respect thereof) is less than 10% of the principal amount of Trust Certificates outstanding at the time of such release, assignment or transfer, or such release, assignment or transfer and substitution, such report to be so transmitted within 90 days after such time, and (ii) the character and amount of any advances (and if the Trustee elects so to state, the circumstances surrounding the making thereof) made by the Trustee (as such) since the date of the last report transmitted pursuant to the provisions of Section 8.04(a) (or if no such report has yet been so transmitted, since the date of execution of this Agreement), for the reimbursement of which it claims or may claim a lien or charge, prior to that of the Trust Certificates, on the trust estate or on property or funds held or collected by it as Trustee, and which it has not previously reported pursuant to this Section 8.04(b), except that the Trustee shall not be required (but may elect) to report such advances if such advances remaining unpaid at any time aggregate 10% or

less of the principal amount of Trust Certificates outstanding at such time, such report to be transmitted within 90 days after such time.

(c) Reports pursuant to this Section 8.04 shall be transmitted by mail:

(i) to all registered holders of Trust Certificates, as the names and addresses of such holders appear upon the registration books of the Trustee;

(ii) to such holders of Trust Certificates as have, within the two years preceding such transmission, filed their names and addresses with the Trustee for that purpose; and

(iii) except in the case of reports pursuant to Section 8.04(b), to each holder of a Trust Certificate whose name and address is preserved at the time by the Trustee, as provided in Section 8.02(a).

(d) A copy of each such report shall, at the time of such transmission to holders of the Trust Certificates, be filed by the Trustee with each stock exchange, if any, upon which the Trust Certificates are listed and also with the Commission. The Company agrees to notify the Trustee when and as the Trust Certificates become listed on any stock exchange.

ARTICLE NINE

THE TRUSTEE

SECTION 9.01. *Acceptance of Trusts.* The Trustee hereby accepts the trust imposed upon it by this Agreement and covenants and agrees to perform the same as herein expressed.

SECTION 9.02. *Duties and Responsibilities of the Trustee; During Default; Prior to Default.* In case an Event of Default has occurred (which has not been cured), the Trustee shall exercise such of the rights and powers vested in it by this Agreement, 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.

No provision of this Agreement 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

(a) prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred:

(i) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Agreement, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Trustee; and

(ii) in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee and conforming to the requirements of this Agreement; 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 Agreement;

(b) 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; and

(c) 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 holders of a majority in aggregate principal amount of the Trust Certificates at the time outstanding 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 Agreement.

SECTION 9.03. *Certain Rights of the Trustee.* Except as otherwise provided in Section 9.02:

(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, consent, order, trust certificate, guaranty 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) the Trustee may consult with counsel, and any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with such Opinion of Counsel;

(c) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Agreement at the request, order or direction of any of the holders of the Trust Certificates, pursuant to the provisions of this Agreement, unless such holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred therein or thereby;

(d) the Trustee shall not be liable for any action taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Agreement; and

(e) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents or attorneys.

SECTION 9.04. *Application of Rentals; Responsibility of Trustee to Insure or Record.* The Trustee covenants and agrees to apply the rentals received by it under Section 5.04(B) when and as the same shall be received, and to the extent that such rentals shall be sufficient therefor, for the purposes specified in said Section 5.04(B).

Except as otherwise provided in Section 9.02, the Trustee shall not be required to undertake any act or duty in the way of insuring, taking care of or taking possession of the Trust Equipment or to undertake any other act or duty under this Agreement until fully indemnified by the Company or by one or more of the holders of the Trust Certificates against all liability and expenses; and, except as aforesaid, the Trustee shall not be responsible for the filing or recording or refiling or rerecording of this Agreement or of any supplement hereto or statement of new numbers.

SECTION 9.05. *Funds May be Held by Trustee; Investments in Investment Securities.* Any money at any time paid to or held by the

Trustee hereunder until paid out by the Trustee as herein provided may be carried by the Trustee on deposit with itself, and the Trustee will allow interest upon any such moneys held by it in trust at the rate generally prevailing among Chicago banks and trust companies or allowed by it upon deposits of a similar character.

At any time, and from time to time, if at the time no Events of Default shall have occurred and be continuing, the Trustee, on Request, shall invest and reinvest Deposited Cash held by it or cash deposited with it pursuant to Section 5.06 or Section 5.08 (hereinafter in this Section 9.05 called Replacement Funds) in Investment Securities, at such prices, including any premium and accrued interest, as are set forth in such Request, such Investment Securities to be held by the Trustee in trust for the benefit of the holders of the Trust Certificates.

The Trustee shall, on Request, or the Trustee may, in the event funds are required for payment against delivery of Trust Equipment, sell such Investment Securities, or any portion thereof, and restore to Deposited Cash or Replacement Funds, as the case may be, the proceeds of any such sale up to the amount paid for such Investment Securities, including accrued interest.

The Trustee shall restore to Deposited Cash or Replacement Funds, as the case may be, out of rent received by it for that purpose under the provisions of Section 5.04(B) (1), an amount equal to any expenses incurred in connection with any purchase or sale of Investment Securities and also an amount equal to any loss of principal incident to the sale or redemption of any Investment Securities for a sum less than the amount paid therefor, including accrued interest.

The Company, if not to the knowledge of the Trustee in default under the terms hereof, shall be entitled to receive any interest allowed as provided in the first paragraph of this Section 9.05, or any interest paid by any bank or bankers on deposits to the credit of the Trustee with such bank or bankers pursuant to Section 2.01, and any interest (in excess of accrued interest paid from Deposited Cash at the time of purchase) or other profit which may be realized from any sale or redemption of Investment Securities.

SECTION 9.06. Trustee Not Liable for Delivery Delays or Defects in Equipment or Title; May Perform Duties By Agents; Reimbursement of Expenses; Holding of Trust Certificates; Moneys Held in

Trust. Except as otherwise provided in Section 9.02, the Trustee shall not be liable to anyone for any delay in the delivery of any of the Trust Equipment, or for any default on the part of the manufacturers or owners thereof or of the Company, or for any defect in any of the Trust Equipment or in the title thereto, nor shall anything herein be construed as a warranty on the part of the Trustee in respect thereof or as a representation on the part of the Trustee in respect of the value thereof or in respect of the title thereto.

Except as otherwise provided in Section 9.02, the Trustee may perform its powers and duties hereunder by or through such attorneys, agents and servants as it shall appoint, and shall be answerable for only its own acts, negligence and wilful defaults and not for the default or misconduct of any attorney, agent or servant appointed by it with reasonable care. The Trustee shall not be responsible in any way for the recitals herein contained or for the execution or validity of this Agreement or any Supplemental Equipment Trust Agreement or agreement supplemental thereto or of the Trust Certificates (except for its own execution thereof) or of the guaranty by the Company in respect of the Trust Certificates.

The Trustee shall be entitled to receive payment of all of its expenses and disbursements hereunder, including reasonable counsel fees, and to receive reasonable compensation for all services rendered by it in the execution of the trust hereby created, all of which shall be paid by the Company, or, in default of such payment, out of the rentals or proceeds or avails of the Trust Equipment.

The Trust in its individual capacity may own, hold and dispose of Trust Certificates with the same rights which it would have if it were not Trustee.

Any moneys at any time held by the Trustee or any paying agent hereunder shall, until paid out or invested by the Trustee or any paying agent as herein provided, be held by it in trust as herein provided for the benefit of the holders of the Trust Certificates.

SECTION 9.07. *Qualification of Trustee; Conflicting Interests.* (a) If the Trustee has or shall acquire any conflicting interest, as defined in this Section 9.07, it shall, within 90 days after ascertaining that it has

such conflicting interest, either eliminate such conflicting interest or resign in the manner and with the effect specified in Section 9.09.

(b) In the event that the Trustee shall fail to comply with the provisions of Section 9.07(a) the Trustee shall, within 10 days after the expiration of such 90-day period, transmit notice of such failure to the holders of the Trust Certificates in the manner and to the extent provided in Section 8.04(c) with respect to reports pursuant to Section 8.04(a).

(c) For the purposes of this Section 9.07 the Trustee shall be deemed to have a conflicting interest if

(i) the Trustee is trustee under another indenture under which any other securities, or certificates of interest or participation in any other securities, of the Company are outstanding, unless such other indenture is a collateral trust indenture under which the only collateral consists of Trust Certificates issued under this Agreement, provided that there shall be excluded from the operation of this paragraph any indenture or indentures under which other securities, or certificates of interest or participation in other securities, of the Company are outstanding, if the Company shall have sustained the burden of proving, on application to the Commission and after opportunity for hearing thereon, that trusteeship under this Agreement and such other indenture or indentures is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify the Trustee from acting as such under one of such indentures;

(ii) the Trustee or any of its directors or executive officers is an obligor upon the Trust Certificates or an underwriter for the Company;

(iii) the Trustee directly or indirectly controls or is directly or indirectly controlled by or is under direct or indirect common control with the Company or an underwriter for the Company;

(iv) the Trustee or any of its directors or executive officers is a director, officer, partner, employee, appointee, or representative of the Company, or of an underwriter (other than the Trustee itself) for the Company who is currently engaged in

the business of underwriting, except that (a) one individual may be a director or an executive officer, or both, of the Trustee and a director or an executive officer, or both, of the Company, but may not be at the same time an executive officer of both the Trustee and the Company, (b) if and so long as the number of directors of the Trustee in office is more than nine, one additional individual may be a director or an executive officer, or both, of the Trustee and a director of the Company and (c) the Trustee may be designated by the Company or by any underwriter for the Company to act in the capacity of transfer agent, registrar, custodian, paying agent, fiscal agent, escrow agent, or depositary, or in any other similar capacity, or, subject to the provisions of clause (i) of this Section 9.07(c), to act as trustee, whether under an indenture or otherwise;

(v) 10% or more of the voting securities of the Trustee is beneficially owned either by the Company or by any director, partner, or executive officer thereof, or 20% or more of such voting securities is beneficially owned, collectively, by any two or more of such persons; or 10% or more of the voting securities of the Trustee is beneficially owned either by an underwriter for the Company or by any director, partner, or executive officer thereof, or is beneficially owned, collectively, by any two or more such persons;

(vi) the Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default, (a) 5% or more of the voting securities, or 10% or more of any other class of security, of the Company, not including the Trust Certificates and securities issued under any other indenture under which the Trustee is also trustee or (b) 10% or more of any class of security of an underwriter for the Company;

(vii) the Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default, 5% or more of the voting securities of any person who, to the knowledge of the Trustee, owns 10% or more of the voting securities of, or controls directly or indirectly or is under direct or indirect common control with the Company;

(viii) the Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default, 10% or

more of any class of security of any person who, to the knowledge of the Trustee, owns 50% or more of the voting securities of the Company; or

(ix) the Trustee owns, on May 15th in any calendar year, in the capacity of executor, administrator, testamentary or *inter vivos* trustee, guardian, committee or conservator, or in any other similar capacity, an aggregate of 25% or more of the voting securities, or of any class of security, of any person, the beneficial ownership of a specified percentage of which would have constituted a conflicting interest under Section 9.07(c) (vi), (vii) or (viii). As to any such securities of which the Trustee acquired ownership through becoming executor, administrator, or testamentary trustee of an estate which included them, the provisions of the preceding sentence shall not apply, for a period of two years from the date of such acquisition, to the extent that such securities included in such estate do not exceed 25% of such voting securities or 25% of any such class of security. Promptly after May 15th in each calendar year, the Trustee shall make a check of its holdings of such securities in any of the above-mentioned capacities as of such May 15th. If the Company fails to make payment in full of the rentals payable hereunder in respect of the principal of, or interest, on, any of the Trust Certificates when and as the same become due and payable, and such failure continues for 30 days thereafter, the Trustee shall make a prompt check of its holdings of such securities in any of the above-mentioned capacities as of the date of the expiration of such 30-day period, and after such date, notwithstanding the foregoing provisions of this paragraph, all such securities so held by the Trustee, with sole or joint control over such securities vested in it, shall, but only so long as such failure shall continue, be considered as though beneficially owned by the Trustee for the purposes of Section 9.07(c) (vi), (vii) and (viii).

The specification of percentages in Section 9.07(c) (v) to (ix), inclusive, shall not be construed as indicating that the ownership of such percentages of the securities of a person is or is not necessary or sufficient to constitute direct or indirect control for the purposes of Section 9.07(c) (iii) or (vii).

For the purposes of Section 9.07(c) (vi), (vii), (viii) and (ix) only, (a) the terms "security" and "securities" shall include only such securities as are generally known as corporate securities, but shall not include any note or other evidence of indebtedness issued to evidence an obligation to repay moneys lent to a person by one or more banks, trust companies or banking firms, or any certificate of interest or participation in any such note or evidence of indebtedness; (b) an obligation shall be deemed to be in default when a default in payment of principal shall have continued for 30 days or more and shall not have been cured; and (c) the Trustee shall not be deemed to be the owner or holder of (i) any security which it holds as collateral security, as trustee or otherwise, for an obligation which is not in default as defined in clause (b) above, or (ii) any security which it holds as collateral security under this Agreement, irrespective of any default hereunder, or (iii) any security which it holds as agent for collection, or as custodian, escrow agent, or depositary, or in any similar representative capacity.

Except as provided above, the word "security" or "securities" as used in this Agreement shall mean any equipment trust certificate, note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, pre-organization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for a security, fractional undivided interest in oil, gas, or other mineral rights, or, in general, any interest or instrument commonly known as a "security", or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing.

(d) for the purposes of this Section 9.07;

(i) The term "underwriter" when used with reference to the Company shall mean every person who, within three years prior to the time as of which the determination is made, has purchased from the Company with a view to, or has offered or sold for the Company in connection with, the distribution of any security of the Company outstanding at such time, or has participated or has had a direct or indirect participation in any such undertaking, or has participated or has had a

participation in the direct or indirect underwriting of any such undertaking, but such term shall not include a person whose interest was limited to a commission from an underwriter or dealer not in excess of the usual and customary distributors' or sellers' commission.

(ii) The term "director" shall mean any director of a corporation, or any individual performing similar functions with respect to any organization whether incorporated or unincorporated.

(iii) The term "person" shall mean an individual, a corporation, a partnership, an association, a joint-stock company, a trust, an unincorporated organization, or a government or political subdivision thereof. As used in this paragraph (iii), the term "trust" shall include only a trust where the interest or interests of the beneficiary or beneficiaries are evidenced by a security.

(iv) The term "voting security" shall mean any security presently entitling the owner or holder thereof to vote in the direction or management of the affairs of a person, or any security issued under or pursuant to any trust, agreement or arrangement whereby a trustee or trustees or agent or agents for the owner or holder of such security are presently entitled to vote in the direction or management of the affairs of a person.

(v) The term "Company" shall mean any obligor upon the Trust Certificates.

(vi) The term "executive officer" shall mean the president, every vice-president, every trust officer, the cashier, the secretary, and the treasurer of a corporation, and any individual customarily performing similar functions with respect to any organization whether incorporated or unincorporated, but shall not include the chairman of the board of directors.

The percentages of voting securities and other securities specified in this Section 9.07 shall be calculated in accordance with the following provisions:

(A) A specified percentage of the voting securities of the Trustee, the Company or any other person referred to in this

Section 9.07 (each of whom is referred to as a "person" in this paragraph) means such amount of the outstanding voting securities of such person as entitles the holder or holders thereof to cast such specified percentage of the aggregate votes which the holders of all the outstanding voting securities of such person are entitled to cast in the direction or management of the affairs of such person.

(B) A specified percentage of a class of securities of a person means such percentage of the aggregate amount of securities of the class outstanding.

(C) The term "amount", when used in regard to securities, means the principal amount if relating to evidences of indebtedness, the number of shares if relating to capital shares, and the number of units if relating to any other kind of security.

(D) The term "outstanding" means issued and not held by or for the account of the issuer. The following securities shall not be deemed outstanding within the meaning of this definition:

(i) securities of an issuer held in a sinking fund relating to securities of the issuer of the same class;

(ii) securities of an issuer held in a sinking fund relating to another class of securities of the issuer, if the obligation evidenced by such other class of securities is not in default as to principal or interest or otherwise;

(iii) securities pledged by the issuer thereof as security for an obligation of the issuer not in default as to principal or interest or otherwise; and

(iv) securities held in escrow if placed in escrow by the issuer thereof;

provided, however, that any voting securities of an issuer shall be deemed outstanding if any person other than the issuer is entitled to exercise the voting rights thereof.

(E) A security shall be deemed to be of the same class as another security if both securities confer upon the holder or holders thereof substantially the same rights and privileges; *provided, however,* that, in the case of secured evidences of in-

debtedness, all of which are issued under a single indenture, differences in the interest rates or maturity dates of various series thereof shall not be deemed sufficient to constitute such series different classes; and *provided, further*, that, in the case of unsecured evidences of indebtedness, differences in the interest rates or maturity dates thereof shall not be deemed sufficient to constitute them securities of different classes, whether or not they are issued under a single indenture.

SECTION 9.08. *Persons Eligible for Appointment as Trustee.* 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 the State of Illinois, having its principal office and place of business in The City of Chicago, State of Illinois, having a combined capital and surplus of at least \$10,000,000, and which is authorized under such laws to exercise corporate trust powers and is subject to supervision or examination by federal or state authority. 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 9.08 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. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section 9.08, the Trustee shall resign immediately in the manner and with the effect specified in Section 9.09.

SECTION 9.09. *Resignation and Removal; Appointment of Successor Trustee.* (a) The Trustee may at any time resign by giving written notice of resignation to the Company and by mailing notice of resignation to all holders of Trust Certificates at their last addresses appearing on the registry books. Upon receiving such notice of resignation, the Company shall promptly appoint a successor trustee by written instrument, in duplicate, executed by order of the Board of Directors of the Company, one copy of which instrument shall be delivered to the Trustee so resigning and one copy to the successor trustee. If no successor trustee shall have been so appointed and have accepted appointment 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, or any holder of a Trust Certificate who has been a bona fide holder of a Trust

Certificate or Trust Certificates for at least six months may, subject to the provisions of Section 6.11, on behalf of himself and all others similarly situated, petition any such court for the appointment of a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor trustee.

(b) In case at any time any of the following shall occur :

(i) the Trustee shall fail to comply with the provisions of Section 9.07(a) after written request therefor by the Company or by any holder of a Trust Certificate who has been a bona fide holder of a Trust Certificate or Trust Certificates for at least six months, or

(ii) the Trustee shall cease to be eligible in accordance with the provisions of Section 9.08 and shall fail to resign after written request therefor by the Company or by any such holder of a Trust Certificate, or

(iii) 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, the Company may remove the Trustee and appoint a successor trustee by written instrument, in duplicate, executed by order of its Board of Directors, one copy of which instrument shall be delivered to the Trustee so removed and one copy to the successor trustee, or, subject to the provisions of Section 6.11, any holder of a Trust Certificate who has been a bona fide holder of a Trust Certificate or Trust Certificates for at least six months 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. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, remove the Trustee and appoint a successor trustee.

(c) The holders of a majority in aggregate principal amount of the Trust Certificates at the time outstanding may at any time remove the Trustee and appoint a successor trustee by delivering to the Trustee to be removed, to the successor trustee so appointed and to the Com-

pany the evidence provided for in Section 10.01 of the action taken by the holders of the Trust Certificates.

(d) Any resignation or removal of the Trustee and appointment of a successor trustee pursuant to any of the provisions of this Section 9.09 shall become effective upon acceptance of appointment by the successor trustee as provided in Section 9.10.

SECTION 9.10. *Acceptance of Appointment by Successor Trustee.* Any successor trustee appointed as provided in Section 9.09 shall execute, acknowledge and deliver to the Company and to its predecessor trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as trustee herein; but, nevertheless, on the written request of the Company or of the successor trustee, upon payment of its charges then unpaid, the trustee ceasing to act shall execute and deliver an instrument transferring to such successor trustee all the rights and powers of the trustee so ceasing to act. Upon request of any such successor trustee, the Company shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor trustee all such rights and powers. Any trustee ceasing to act shall, nevertheless, retain a lien upon all property or funds held or collected by such trustee to secure any amounts then due it pursuant to the provisions of Section 9.06.

No successor trustee shall accept appointment as provided in this Section 9.10 unless at the time of such acceptance such successor trustee shall be qualified under the provisions of Section 9.07 and eligible under the provisions of Section 9.08.

Upon acceptance of appointment by a successor trustee as provided in this Section 9.10, the Company shall mail notice of the succession of such trustee hereunder to the holders of the Trust Certificates at their last addresses as they shall appear upon the registry books. If the Company fails to mail such notice within ten days after acceptance of appointment by the successor trustee, the successor trustee shall cause such notice to be mailed at the expense of the Company.

SECTION 9.11. *Merger or Consolidation of Trustee.* 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 or conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be qualified under the provisions of Section 9.07 and eligible under the provisions of Section 9.08, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 9.12. *Preferential Collection of Claims Against the Company.* (a) Subject to the provisions of Section 9.12(b), if the Trustee shall be or shall become a creditor, directly or indirectly, secured or unsecured, of the Company within four months prior to a default, as defined in Section 9.12(c), or subsequent to such a default, then, unless and until such default shall be cured, the Trustee shall set apart and hold in a special account for the benefit of the Trustee individually, the holders of the Trust Certificates and the holders of other indenture securities (as defined in Section 9.12(c)):

(i) an amount equal to any and all reductions in the amount due and owing upon any claim as such creditor in respect of principal or interest, effected after the beginning of such four-months' period and valid as against the Company and its other creditors, except any such reduction resulting from the receipt or disposition of any property described in Section 9.12(a)(ii), or from the exercise of any right of set-off which the Trustee could have exercised if a petition in bankruptcy had been filed by or against the Company upon the date of such default; and

(ii) all property received by the Trustee in respect of any claim as such creditor, either as security therefor, or in satisfaction or composition thereof, or otherwise, after the beginning of such four-months' period, or an amount equal to the proceeds of any such property, if disposed of, *subject, however, to the rights, if any, of the Company and its other creditors in such property or such proceeds.*

Nothing herein contained, however, shall affect the right of the Trustee

(A) to retain for its own account (i) payments made on account of any such claim by any person (other than the Com-

pany) who is liable thereon, and (ii) the proceeds of the *bona fide* sale of any such claim by the Trustee to a third person, and (iii) distributions made in cash, securities, or other property in respect of claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable state law;

(B) to realize, for its own account, upon any property held by it as security for any such claim, if such property was so held prior to the beginning of such four-months' period;

(C) to realize, for its own account, but only to the extent of the claim hereinafter mentioned, upon any property held by it as security for any such claim, if such claim was created after the beginning of such four-months' period and such property was received as security therefor simultaneously with the creation thereof, and if the Trustee shall sustain the burden of proving that at the time such property was so received the Trustee had no reasonable cause to believe that a default as defined in Section 9.12(e) would occur within four months; or

(D) to receive payment on any claim referred to in paragraph (B) or (C), against the release of any property held as security for such claim as provided in paragraph (B) or (C), as the case may be, to the extent of the fair value of such property.

For the purposes of paragraphs (B), (C) and (D), property substituted after the beginning of such four-months' period for property held as security at the time of such substitution shall, to the extent of the fair value of the property released, have the same status as the property released, and, to the extent that any claim referred to in any of such paragraphs is created in renewal of or in substitution for or for the purpose of repaying or refunding any pre-existing claim of the Trustee as such creditor, such claim shall have the same status as such pre-existing claim.

If the Trustee shall be required to account, the funds and property held in such special account and the proceeds thereof shall be apportioned between the Trustee, the holders of the Trust Certificates and the holders of other indenture securities in such manner that the Trustee, the holders of the Trust Certificates and the holders of other inden-

ture securities realize, as a result of payments from such special account and payments of dividends on claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable state law, the same percentage of their respective claims, figured before crediting to the claim of the Trustee anything on account of the receipt by it from the Company of the funds and property in such special account and before crediting to the respective claims of the Trustee, the holders of the Trust Certificates and the holders of other indenture securities dividends on claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable state law, but after crediting thereon receipts on account of the indebtedness represented by their respective claims from all sources other than from such dividends and from the funds and property so held in such special account. As used in this paragraph, with respect to any claim, the term "dividends" shall include any distribution with respect to such claim, in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable state law, whether such distribution is made in cash, securities, or other property, but shall not include any such distribution with respect to the secured portion, if any, of such claim. The court in which such bankruptcy, receivership, or proceedings for reorganization is pending shall have jurisdiction (i) to apportion between the Trustee, the holders of the Trust Certificates and the holders of other indenture securities, in accordance with the provisions of this paragraph, the funds and property held in such special account and the proceeds thereof, or (ii) in lieu of such apportionment, in whole or in part, to give to the provisions of this paragraph due consideration in determining the fairness of the distributions to be made to the Trustee, the holders of the Trust Certificates and the holders of other indenture securities with respect to their respective claims, in which event it shall not be necessary to liquidate or to appraise the value of any securities or other property held in such special account or as security for any such claim, or to make a specific allocation of such distributions as between the secured and unsecured portions of such claims, or otherwise to apply the provisions of this paragraph as a mathematical formula.

Any Trustee who has resigned or been removed after the beginning of such four-months' period shall be subject to the provisions of this subsection (a) as though such resignation or removal had not oc-

curred. If any Trustee has resigned or been removed prior to the beginning of such four-months' period, it shall be subject to the provisions of this subsection (a) if and only if the following conditions exist:

(i) the receipt of property or reduction of claim, which would have given rise to the obligation to account, if such Trustee had continued as trustee, occurred after the beginning of such four-months' period; and

(ii) such receipt of property or reduction of claim occurred within four months after such resignation or removal.

(b) There shall be excluded from the operation of Section 9.12(a) a creditor relationship arising from

(i) the ownership or acquisition of securities issued under any indenture, or any security or securities having a maturity of one year or more at the time of acquisition by the Trustee;

(ii) advances authorized by a receivership or bankruptcy court of competent jurisdiction, or by this Agreement, for the purpose of preserving any property which shall at any time be subject to this Agreement or of discharging tax liens or other prior liens or encumbrances thereon, if notice of such advance and of the circumstances surrounding the making thereof is given to the holders of the Trust Certificates at the time and in the manner provided in this Agreement;

(iii) disbursements made in the ordinary course of business in the capacity of trustee under an indenture, transfer agent, conversion agent, registrar, custodian, paying agent, fiscal agent or depository, or other similar capacity;

(iv) an indebtedness created as a result of services rendered or premises rented; or an indebtedness created as a result of goods or securities sold in a cash transaction as defined in Section 9.12(c);

(v) the ownership of stock or of other securities of a corporation organized under the provisions of section 25(a) of the Federal Reserve Act, as amended, which is directly or indirectly a creditor of the Company; or

(vi) the acquisition, ownership, acceptance or negotiation of any drafts, bills of exchange, acceptances, or obligations which fall within the classification of self-liquidating paper as defined in Section 9.12(c).

(c) As used in this Section 9.12:

(i) The term "default" shall mean any failure to make payment in full of the principal of or interest on any of the Trust Certificates or upon the other indenture securities when and as such principal or interest becomes due and payable.

(ii) The term "other indenture securities" shall mean securities upon which the Company is an obligor (as defined in the Trust Indenture Act of 1939) outstanding under any other indenture (i) under which the Trustee is also trustee, (ii) which contains provisions substantially similar to the provisions of this Section 9.12, and (iii) under which a default exists at the time of the apportionment of the funds and property held in such special account.

(iii) The term "cash transaction" shall mean any transaction in which full payment for goods or securities sold is made within seven days after delivery of the goods or securities in currency or in checks or other orders drawn upon banks or bankers and payable upon demand.

(iv) The term "self-liquidating paper" shall mean any draft, bill of exchange, acceptance or obligation which is made, drawn, negotiated or incurred by the Company for the purpose of financing the purchase, processing, manufacturing, shipment, storage or sale of goods, wares or merchandise and which is secured by documents evidencing title to, possession of, or a lien upon, the goods, wares or merchandise or the receivables or proceeds arising from the sale of the goods, wares or merchandise previously constituting the security, provided the security is received by the Trustee simultaneously with the creation of the creditor relationship with the Company arising from the making, drawing, negotiating or incurring of the draft, bill of exchange, acceptance or obligation.

(v) The term "Company" shall mean any obligor upon the Trust Certificates.

SECTION 9.13. *Paying Agents.* Whenever the Trustee shall appoint a paying agent other than the Company, it will cause such paying agent to execute and deliver to the Trustee an instrument in which such agent shall agree with the Trustee, subject to the provisions of this Section 9.13,

(a) that it will hold all sums held by it as such agent for the payment of the principal of, or interest on, the Trust Certificates (whether such sums have been paid to it by the Company or by any other obligor on the Trust Certificates) in trust for the benefit of the holders of the Trust Certificates and will notify the Trustee of the receipt of sums to be so held, and

(b) that it will give the Trustee notice of any failure by the Company (or by any other obligor on the Trust Certificates) to make any payment of the principal of, or interest on, the Trust Certificates when the same shall be due and payable.

SECTION 9.14. *New York Agency.* So long as any of the Trust Certificates shall remain outstanding, to the extent required by stock exchange regulations, the Trustee agrees to maintain an agency in the Borough of Manhattan, City and State of New York, where the Trust Certificates may be presented for exchange and registration of transfer as herein provided, and where notices and demands to or upon the Company in respect of the Trust Certificates or of this Agreement may be served, and where the Trust Certificates may be presented for payment. The Trustee hereby appoints The Chase Manhattan Bank (National Association) at its corporate trust office, 1 Chase Manhattan Plaza, New York, New York 10015, as such office or agency in New York City, for all such purposes. In case the Trustee shall fail to maintain such an agency, such presentations and demands may be made and notices may be served at the Trustee's Corporate Trust Office.

ARTICLE TEN

CONCERNING THE HOLDERS OF TRUST CERTIFICATES

SECTION 10.01. *Evidence of Action Taken by Holders of Trust Certificates.* Whenever in this Agreement it is provided that the holders of a specified percentage in aggregate principal amount of the Trust Certificates may take any action (including the making of any demand

or request, the giving of any notice, consent or waiver or the taking of any other action), the fact that at the time of taking any such action the holders of such specified percentage have joined therein may be evidenced (a) by any instrument or any number of instruments of similar tenor executed by holders of Trust Certificates in person or by agent or proxy appointed in writing, or (b) by the record of the holders of Trust Certificates voting in favor thereof at any meeting of holders of Trust Certificates duly called and held in accordance with the provisions of Article Eleven, or (c) by a combination of such instrument or instruments and any such record of such a meeting of holders of Trust Certificates.

SECTION 10.02. *Proof of Execution of Instruments and of Holding of Trust Certificates.* Subject to the provisions of Sections 9.02 and 11.05, proof of the execution of any instrument by a holder of Trust Certificates or his agent or proxy and proof of the holding by any person of any of the Trust Certificates shall be sufficient if made in the following manner:

The fact and date of the execution by any such person of any instrument may be proved by the certificate of any notary public or other officer of any jurisdiction within the United States of America authorized to take acknowledgments of deeds to be recorded in such jurisdiction that the person executing such instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution sworn to before any such notary or other such officer.

The ownership of Trust Certificates may be proved by the register of such Trust Certificates or by a certificate of the registrar thereof.

The Trustee may require such additional proof of any matter referred to in this Section 10.02 as it shall deem necessary.

The record of any meeting of holders of Trust Certificates shall be proved in the manner provided in Section 11.06.

SECTION 10.03. *Trust Certificates Owned by Company Deemed Not Outstanding.* In determining whether the holders of the requisite principal amount of the Trust Certificates have concurred in any direction, request or consent under this Agreement, Trust Certificates which are owned by the Company or by any other obligor on the Trust Certificates or by any person directly or indirectly controlling or con-

trolled by, or under direct or indirect common control with, the Company or any such other obligor shall be disregarded, except that for the purpose of determining whether the Trustee shall be protected in relying on any such direction, request or consent, only Trust Certificates which the Trustee knows are so owned shall be disregarded.

SECTION 10.04. *Right of Revocation of Action Taken.* At any time prior to (but not after) the evidencing to the Trustee, as provided in Section 10.01, of the taking of any action by the holders of the percentage in aggregate principal amount of the Trust Certificates specified in this Agreement in connection with such action, any holder of a Trust Certificate the serial number of which is shown by the evidence to be included in the Trust Certificates the holders of which have consented to such action may, by filing written notice with the Trustee at its Corporate Trust Office and upon proof of holding as provided in Section 10.02, revoke such action so far as concerns such Trust Certificate. Except as aforesaid any such action taken by the holder of any Trust Certificate shall be conclusive and binding upon such holder and upon all future holders and owners of such Trust Certificate and of any Trust Certificate issued in exchange or substitution therefor, irrespective of whether or not any notation in regard thereto is made upon such Trust Certificate. Any action taken by the holders of the percentage in aggregate principal amount of the Trust Certificates specified in this Agreement in connection with such action shall be conclusive and binding upon the Company, the Trustee and the holders of all the Trust Certificates.

ARTICLE ELEVEN

MEETINGS OF HOLDERS OF TRUST CERTIFICATES

SECTION 11.01. *Purposes for Which Meetings of Holders of Trust Certificates May Be Called.* A meeting of holders of Trust Certificates may be called at any time and from time to time pursuant to the provisions of this Article Eleven for any of the following purposes:

- (a) to give any notice to the Company or to the Trustee, or to give any directions to the Trustee or to waive any default hereunder and its consequences, or to take any other action authorized to be taken by holders of Trust Certificates, pursuant to any of the provisions of Article Six;

(b) to remove the Trustee and appoint a successor trustee pursuant to the provisions of Section 9.09; or

(c) to take any other action authorized to be taken by or on behalf of the holders of any specified aggregate principal amount of the Trust Certificates under any other provision of this Agreement or under applicable law.

SECTION 11.02. *Call of Meetings by Trustee.* The Trustee may at any time call a meeting of holders of Trust Certificates to take any action specified in Section 11.01, to be held at such time and at such place in the City of Chicago, County of Cook, State of Illinois, as the Trustee shall determine. Notice of every meeting of the holders of Trust Certificates, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting, shall be mailed by the Trustee at least 30 days prior to such meeting to the holders of the Trust Certificates at their last addresses as they shall appear upon the registry books.

SECTION 11.03. *Company and Holders of Trust Certificates May Call Meeting.* In case at any time the Company, pursuant to a resolution of its Board of Directors, or the holders of at least 10% in aggregate principal amount of the Trust Certificates then outstanding, shall have requested the Trustee to call a meeting of holders of Trust Certificates to take any action authorized in Section 11.01, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Trustee shall not have mailed notice of such meeting within 20 days after receipt of such request, then the Company or the holders of the Trust Certificates in the amount above specified may determine the time and the place in the City of Chicago, County of Cook, State of Illinois, for such meeting and may call such meeting by mailing notice thereof as provided in Section 11.02.

SECTION 11.04. *Persons Entitled to Vote at Meeting.* To be entitled to vote at any meeting of holders of Trust Certificates a person shall (a) be a registered holder of one or more Trust Certificates or (b) be a person appointed by an instrument in writing as proxy by a registered holder of one or more Trust Certificates. The only persons who shall be entitled to be present or to speak at any meeting of the holders of the Trust Certificates shall be the persons entitled to vote at

such meeting and their counsel and any representatives of the Trustee and its counsel and any representatives of the Company and its counsel.

SECTION 11.05. *Determination of Voting Rights; Conduct and Adjournment of Meeting.* Notwithstanding any other provisions of this Agreement, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of holders of the Trust Certificates, in regard to proof of the holding of Trust Certificates and of the appointment of proxies, and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall think fit. Except as otherwise permitted or required by any such regulations, the holding of Trust Certificates shall be proved in the manner specified in Section 10.02 and the appointment of any proxy shall be proved in the manner specified in said Section 10.02 or by having the signature of the person executing the proxy witnessed or guaranteed by any bank, banker or trust company satisfactory to the Trustee.

The Trustee shall, by an instrument in writing, appoint a temporary chairman of the meeting, unless the meeting shall have been called by the Company or by holders of the Trust Certificates as provided in Section 11.03, in which case the Company or the holders of the Trust Certificates calling the meeting, as the case may be, shall in like manner appoint a temporary chairman. A permanent chairman and a permanent secretary of the meeting shall be elected by vote of the holders of a majority in principal amount of the Trust Certificates represented at the meeting and entitled to vote.

Subject to the provisions of Section 10.03, at any meeting each holder of Trust Certificates or proxy shall be entitled to one vote for each \$1,000 principal amount of Trust Certificates held or represented by him; *provided, however*, that no vote shall be cast or counted at any meeting in respect of any Trust Certificate challenged as not outstanding and ruled by the chairman of the meeting to be not outstanding. The chairman of the meeting shall have no right to vote except as a holder of Trust Certificates or proxy. Any meeting of holders of Trust Certificates duly called pursuant to the provisions of Section 11.02 or 11.03 may be adjourned from time to time, and the meeting may be held as so adjourned without further notice.

At any meeting of holders of Trust Certificates, the presence of persons holding or representing Trust Certificates in an aggregate principal amount sufficient to take action upon the business for the transaction of which such meeting was called shall be necessary to constitute a quorum; but, if less than a quorum be present, the persons holding or representing a majority in aggregate principal amount of the Trust Certificates represented at the meeting may adjourn such meeting with the same effect, for all intents and purposes, as though a quorum had been present.

SECTION 11.06. *Counting Vote and Recording Action of Meeting.* The vote upon any resolution submitted to any meeting of holders of Trust Certificates shall be by written ballots on which shall be subscribed the signatures of the holders of Trust Certificates or proxies and the serial number or numbers of the Trust Certificates held or represented by them. The permanent chairman of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in duplicate of all votes cast at the meeting. A record in duplicate of the proceedings of each meeting of holders of Trust Certificates shall be prepared by the secretary of the meeting, and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavits by one or more persons having knowledge of the facts, setting forth a copy of the notice of the meeting and showing that said notice was given as provided in Section 11.02. The record shall be signed and verified by the affidavits of the permanent chairman and secretary of the meeting, and one of the duplicates shall be delivered to the Company and the other to the Trustee to be preserved by the Trustee, the latter to have attached thereto the ballots voted at the meeting.

Any record so signed and verified shall be conclusive evidence of the matters therein stated.

SECTION 11.07. *Call of Meeting Not to Affect Rights of Trustee and Holders of Trust Certificates.* Nothing in this Article Eleven contained shall be deemed or construed to authorize or permit, by reason of any call of a meeting of holders of Trust Certificates or any rights expressly or impliedly conferred hereunder to make such call, any hindrance or delay in the exercise of any right or rights conferred upon

or reserved to the Trustee or to the holders of Trust Certificates under any of the provisions of this Agreement or of the Trust Certificates.

ARTICLE TWELVE

SUPPLEMENTAL AGREEMENTS

SECTION 12.01. *Supplemental Agreements Without Consent of Certificateholders.* Without the consent of the holders of any Trust Certificates, the Company, when authorized by a resolution of its Board of Directors, and the Trustee, at any time and from time to time, may enter into one or more agreements supplemental hereto, in form satisfactory to the Trustee, for any of the following purposes:

(1) to evidence the succession of another corporation to the Company, and the assumption by any such successor of the covenants of the Company herein and in its guaranty in respect of the Trust Certificates contained; or

(2) to add to the covenants of the Company, for the benefit of the holders of the Trust Certificates, or to surrender any right or power herein conferred upon the Company; or

(3) to cure any ambiguity, to correct or supplement any provision herein which may be inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Agreement which shall not be inconsistent with the provisions of this Agreement, *provided* such action shall not adversely affect the interests of the holders of the Trust Certificates.

The Trustee is hereby authorized to join with the Company in the execution of any supplemental agreement authorized or permitted by the terms of this Agreement and to make any further appropriate agreements and stipulations which may be therein contained, but the Trustee shall not be obligated to enter into any such supplemental agreement which affects the Trustee's own rights, duties or immunities under this Agreement or otherwise.

A supplemental agreement authorized by the provisions of this Section 12.01 may be executed by the Company and the Trustee without the consent of the holders of any of the Trust Certificates at the time outstanding, notwithstanding any of the provisions of Section 12.02.

SECTION 12.02. *Supplemental Agreements with Consent of Certificateholders.* With the consent (evidenced as provided in Section 10.01) of the holders of not less than 66 $\frac{2}{3}$ % in aggregate principal amount of the Trust Certificates at the time outstanding, the Company, when authorized by a resolution of its Board of Directors, and the Trustee may from time to time and at any time enter into an agreement or agreements supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement (including but not limited to those relating to the sinking fund and the rentals relating thereto) or of any supplemental agreement or modifying in any manner the rights and obligations of the holders of the Trust Certificates and of the Company; *provided, however, that no such supplemental agreement shall, without the consent of the holder of each outstanding Trust Certificate affected thereby,*

(1) change the fixed maturity of the principal of, or any instalment of interest on, any Trust Certificate, or change the dates upon which rentals are payable with respect to such principal at maturity or any instalment of interest, or reduce the principal amount thereof or the interest thereon or any rentals payable with respect to such principal or interest, or change the coin or currency in which any Trust Certificate or the interest thereon or any rentals relating thereto is payable, or impair the right to institute suit for the enforcement of such payment on or after the fixed maturity or date of payment thereof (or, in the case of redemption, on or after the date fixed for redemption); or

(2) modify any of the provisions of the guaranty of the Company in respect of any Trust Certificates; or

(3) create any security interest with respect to the Trust Equipment or the Equipment Bonds ranking prior to, or on a parity with, the security interest created by this Agreement or by the Assignment, as the case may be, or deprive any Certificateholder of the benefit of the security interest created by this Agreement in all or any part of the Trust Equipment, or by the Assignment in all or any part of the Equipment Bonds, for the security of his Trust Certificate; or

(4) reduce the percentage in principal amount of the outstanding Trust Certificates, the consent of whose holders is required for any such supplemental agreement, or the consent of whose holders is required for any waiver (or compliance with certain provisions of this Agreement or certain defaults hereunder and their consequences) provided for in this Agreement; or

(5) modify any of the provisions of this Section 12.02, or Section 12.03, except to increase any such percentage or to provide that certain other provisions of this Agreement cannot be modified or waived without the consent of the holder of each Trust Certificate affected thereby.

Upon the request of the Company, accompanied by a copy of a resolution of its Board of Directors certified by the Secretary or an Assistant Secretary of the Company authorizing the execution of any such supplemental agreement, and upon the filing with the Trustee of evidence of the consent of the Certificateholders as aforesaid, the Trustee shall join with the Company in the execution of such supplemental agreement unless such supplemental agreement affects the Trustee's own rights, duties or immunities under this Agreement or otherwise, in which case the Trustee may in its discretion but shall not be obligated to enter into such supplemental agreement.

It shall not be necessary for the consent of the Certificateholders under this Section 12.02 to approve the particular form of any proposed supplemental agreement, but it shall be sufficient if such consent shall approve the substance thereof.

Promptly after the execution by the Company and the Trustee of any supplemental agreement pursuant to the provisions of this Section 12.02, the Trustee shall mail a notice, setting forth in general terms the substance of such supplemental agreement, to all Certificateholders at their addresses as shown by the register maintained by the Trustee. Any failure of the Trustee to mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental agreement.

SECTION 12.03. *Effect of Supplemental Agreements.* Upon the execution of any supplemental agreement pursuant to the provisions of this Article Twelve, this Agreement shall be deemed to be modified and amended in accordance therewith and the respective rights, limita-

tions of rights, obligations, duties and immunities under this Agreement of the Trustee, the Company and the holders of Trust Certificates shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such supplemental agreement shall be and be deemed to be part of the terms and conditions of this Agreement for any and all purposes.

SECTION 12.04. *Reference in Trust Certificates to Supplemental Agreements.* Trust Certificates issued and delivered after the execution of any supplemental agreement pursuant to the provisions of this Article Twelve, or after any action taken at a Certificateholders' meeting pursuant to Article Eleven, may bear a notation in form approved by the Trustee as to any matter provided for in such supplemental agreement or as to any action taken at any such meeting; and, in such case, suitable notation may be made upon outstanding Trust Certificates after proper presentation and demand. If the Trustee shall so determine, new Trust Certificates so modified to conform, in the opinion of the Trustee and the Board of Directors of the Company, to any modification of this Agreement contained in any such supplemental agreement, or any action taken at any such meeting, may be prepared by the Trustee and executed by the Trustee, and the Company shall place its guaranty thereon and such new Trust Certificates may be delivered in exchange for the Trust Certificates then outstanding, without cost to the holders thereof, upon surrender of such Trust Certificates.

SECTION 12.05. *Opinion of Counsel to the Trustee.* The Trustee, subject to the provisions of Section 9.02, may receive an Opinion of Counsel as conclusive evidence that any supplemental agreement executed pursuant to this Article Twelve is authorized or permitted by the terms of this Agreement and that it is not inconsistent herewith.

SECTION 12.06. *Conformity with Trust Indenture Act of 1939.* Each supplemental agreement executed pursuant to this Article Twelve shall conform to the requirements of the Trust Indenture Act of 1939 as then in effect.

ARTICLE THIRTEEN

MISCELLANEOUS

SECTION 13.01. *Rights Confined to Parties and Holders.* Nothing expressed or implied herein is intended or shall be construed to confer

upon or to give any person, firm or corporation, other than the parties hereto and the holders of the Trust Certificates, any right, remedy or claim under or by reason of this Agreement or of any term, covenant or condition hereof, and all the terms, covenants, conditions, promises and agreements contained herein shall be for the sole and exclusive benefit of the parties hereto and their successors and of the holders of the Trust Certificates.

SECTION 13.02. *No Recourse.* No recourse under any obligation, covenant or agreement of this Agreement, or of the guaranty endorsed on any Trust Certificate, shall be had against any stockholder, officer or director of the Company, as such, by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that this Agreement and said guaranty are solely corporate obligations, and that no personal liability whatever shall attach to or be incurred by the stockholders, officers or directors of the Company, as such, or any of them, under or by reason of any of the obligations, covenants or agreements contained in this Agreement or in said guaranty, or implied therefrom, and that any and all personal liability, either at common law or in equity, or by statute or constitution, of every such stockholder, officer or director is hereby expressly waived as a condition of and consideration for the execution of this Agreement and said guaranty.

SECTION 13.03. *Officers' Certificates and Opinions of Counsel; Statements to Be Contained Therein.* Upon any application or demand by the Company to the Trustee to take any action under any of the provisions of this Agreement (other than the issuance of Trust Certificates), the Company shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent provided for in this Agreement relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent have been complied with.

Each certificate or opinion provided for in this Agreement and delivered to the Trustee with respect to compliance with a condition or covenant provided for in this Agreement shall include (a) a statement that the person making such certificate or opinion has read such condition or covenant; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (c) a statement that,

in the opinion of such person, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such condition or covenant has been complied with; and (d) a statement as to whether or not in the opinion of such person, such condition or covenant has been complied with.

SECTION 13.04. *Conflict of Any Provision of Agreement with Trust Indenture Act of 1939.* If and to the extent that any provision of this Agreement limits, qualifies or conflicts with another provision included in this Agreement which is required to be included herein by any of sections 310 to 317, inclusive, of the Trust Indenture Act of 1939, as amended, such required provision shall control.

SECTION 13.05. *Binding Upon Assigns.* Except as otherwise provided herein, the provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 13.06. *Notices.* All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered at or mailed by registered mail to (a) in the case of the Company, 77 South Wacker Drive, Chicago, Illinois 60606, Attention of the Secretary, or such other address as may hereafter be furnished to the Trustee in writing by the Company and (b) in the case of the Trustee, 50 South La Salle Street, Chicago, Illinois 60690, or such other address as may hereafter be furnished to the Company in writing by the Trustee. An affidavit by any person representing or acting on behalf of the Company or the Trustee, as to such mailing, having the registry receipt attached, shall be conclusive evidence of the giving of such demand, notice or communication.

SECTION 13.07. *Effect of Headings.* The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

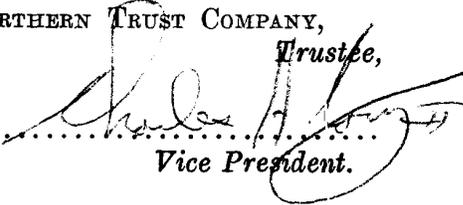
SECTION 13.08. *Counterparts.* This Agreement has been simultaneously executed in several counterparts each of which shall be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

SECTION 13.09. *Date Executed.* This Agreement shall be deemed to have been executed on the date of the acknowledgment thereof by the officer of the Trustee who signed it on behalf of the Trustee.

SECTION 13.10. *Illinois Law Governs.* The provisions of this Agreement, and all the rights and obligations of the parties hereunder, shall be governed by the laws of the State of Illinois.

IN WITNESS WHEREOF, the Company and the Trustee have caused their names to be signed hereto by their respective officers thereunto duly authorized and their respective corporate seals, duly attested, to be hereunto affixed as of the day and year first written.

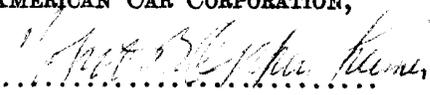
THE NORTHERN TRUST COMPANY,

Trustee,
By 
Vice President.

Attest:


Assistant Secretary.

NORTH AMERICAN CAR CORPORATION,

By 
Vice President.

Attest:


~~Assistant Secretary.~~

STATE OF ILLINOIS, }
COUNTY OF COOK, } ss:

On this *4th* day of April, 1972, before me personally appeared CHARLES H. CORY, II, to me personally known, who, being by me duly sworn, says that he is a *V. Pres* of THE NORTHERN TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and 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.

.....*A. E. Jones*.....
Notary Public

My Commission Expires

My Commission Expires July 8, 1974

STATE OF ILLINOIS, }
COUNTY OF COOK, } ss:

On this *4th* day of April, 1972, before me personally appeared *Robert B. Appenheimer*, to me personally known, who, being by me duly sworn, says that he is a *Vice Pres.* of NORTH AMERICAN CAR CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and 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.

.....*Alfred R. Noble*.....
Notary Public

My Commission Expires *March 16, 1975*

EXHIBIT A

**NORTH AMERICAN CAR CORPORATION
EQUIPMENT TRUST**

First 1972 Series

<u>Number of Cars</u>	<u>Serial Number of Cars</u>	<u>Lessee</u>	<u>Lease Term</u>	<u>Date of Lease</u>	<u>Purchase Option</u>
1	8247-	Temporary Service			
15	8378- 8392	A. E. Staley	15 yrs.	7-26-71	(Pending)
7	10378-10384	A. E. Staley	15 yrs.	7-26-71	(Pending)
4	10385-10388	A. E. Staley	15 yrs.	7-26-71	(Pending)
10	10816-10825	A. E. Staley	15 yrs.	11-19-71	(Pending)
15	10826-10830	A. E. Staley	15 yrs.	7- 9-71	(Pending)
	10831-10840	A. E. Staley	15 yrs.	7- 9-71	(Pending)
40	13600-13639	Atlantic Richfield	15 yrs.	4-27-71	
15	16284-16298	Dimmitt Agri. Industries	15 yrs.	3- 1-71	
6	16299-16304	Cargill	10 yrs.	5-11-71	
5	16305-16309	Great Western Sugar	15 yrs.	6- 1-71	
10	16310-16319	Sucrest Corporation	5 yrs.	8- 5-71	
10	18810-18819	U.S. Steel	15 yrs.	4- 8-71	
6	18820-18825	Ashland Oil	15 yrs.	8- 9-71	
5	20400-20404	Liquid Carbonics	10 yrs.	10- 9-70	
10	23690	Tag Chemicals	15 yrs.	9-21-70	
	23691-23692	Soil Enrichment Mtls.	5 yrs.	3- 5-71	
	23693-23695	Soil Enrichment Mtls.	4 yrs.	3- 1-71	
	23696	Air Reduction—Temporary	6 mos.	4-23-71	
	23697-23699	Temporary Service Shell Canada		3- 1-71	
1	23707	Temporary Service		3- 1-71	
4	23708-23711	Wilson-Sinclair	10 yrs.	9- 1-71	
1	23713	Macmillan Ring-Free Oil	5 yrs.	7-22-70	
1	23714	John Morrell & Company	10 yrs.	9-29-70	
80	23715	Temporary Service		9-29-70	
	23716-23722	Mobil Oil	5 yrs.	11- 5-71	(Pending)
	23723	Temporary Service		11- 5-71	(Pending)
	23724	Mobil Oil	5 yrs.	11- 5-71	(Pending)
	23725-23727	John Morrell	10 yrs.	9-29-70	
	23728	Wilson-Sinclair	10 yrs.	9- 1-71	
	23729-23730	John Morrell	10 yrs.	9-29-70	
	23731-23742	Wilson-Sinclair	10 yrs.	9- 1-71	
	23743-23757	Wilson Certified Foods	5 yrs.	3- 3-71	
	23758-23768	Temporary Service		12-15-69	
	23769-23773	Rath	5 yrs.	1-21-71	(Pending)
	23774-23794	Temporary Service		1-21-71	(Pending)

<u>Number of Cars</u>	<u>Serial Number of Cars</u>	<u>Lessee</u>	<u>Lease Term</u>	<u>Date of Lease</u>	<u>Purchase Option</u>
	23795-23799	Temporary Service		1-21-71	
100	23800-23805	Wilson-Sinclair	10 yrs.	7- 7-71	
	23806-23809	Wilson-Sinclair	10 yrs.	10- 1-71	
	23810-23814	Geo. A. Hormel	5 yrs.	2- 3-71	
	23815-23817	Merichem	15 yrs.	5-24-71	
	23818	Sun Oil	6 mos.	5- 4-71	
	23819	Not Leased		3- 5-71	
	23820-23821	Temporary Service		—	
	23822-23823	National Molasses	5 yrs.	1-29-71	
	23824-23825	King Foods	5 yrs.	1- 5-71	
	23826-23833	National Molasses	5 yrs.	1-29-71	
	23834-23838	John Morrell	15 yrs.	2-18-71	(Pending)
	23839-23843	Temporary Service		2-18-71	
	23844	Merichem	15 yrs.	5-24-71	
	23845-23881	Soil Enrichment	5 yrs.	3- 5-71	
	23882-23899	Temporary Service		—	
16	24350-24365	Sun Oil	5 yrs.	4-22-71	Yes
1	24560	W. R. Grace, Dewey Almy Div.	5 yrs.	7-23-70	
1	24583	APCO	15 yrs.	12- 2-70	
10	25475-25484	Temporary Service		—	
22	25485-25499	Temporary Service		—	
	25500-25501	Arizona Chemical	15 yrs.	4-13-71	(Pending)
	25502-25503	American Petrofina of Texas	5 yrs.	4-15-71	
	25504-25506	Temporary Service		—	
22	25507	Not Leased			
	25508	Brown Co.	6 mos.	10- 7-71	
	25509-25515	Not Leased			
	25516	Westvaco		No Lease	
	25517	Not Leased			
	25518	Westvaco		No Lease	
	25519-25521	Not Leased			
	25522-25528	E. I. duPont	1 yr.	12-16-71	
4	26051-26054	Ashland Oil	15 yrs.	6-15-71	
4	28034-28037	Dow Chemical	15 yrs.	10-18-71	
1	28201	American Distilling	10 yrs.	6-23-71	
15	29036-29041	Monoco Oil Co.	15 yrs.	6-23-71	(Pending)
	29042-29045	Not Leased			
	29046-29048	Tenneco Chemicals		No Lease	
	29049	Not Leased			
	29050	Tenneco Chemicals		No Lease	
35	34862	Sun Oil	1 yr.	3-10-71	
	34863-34864	Sun Oil	1 yr.	6- 1-71	
	34865-34872	Temporary Service			
	34873	Dome Petroleum Ltd.	5 yrs.	10-12-71	(Pending)

<u>Number of Cars</u>	<u>Serial Number of Cars</u>	<u>Lessee</u>	<u>Lease Term</u>	<u>Date of Lease</u>	<u>Purchase Option</u>
	34874	Temporary Service		—	
	34875	Dome Petroleum Ltd.	5 yrs.	10-12-71 (Pending)	
	34876	Temporary Service			
	34877	Dome Petroleum Ltd.	5 yrs.	10-12-71 (Pending)	
	34878-34882	Temporary Service			
	34883	Dome Petroleum Ltd.	5 yrs.	10-12-71 (Pending)	
	34884-34885	Temporary Service			
	34886	Dome Petroleum Ltd.	5 yrs.	10-12-71 (Pending)	
	34887	Temporary Service			
	34888	Dome Petroleum Ltd.	5 yrs.	10-12-71 (Pending)	
	34889-34890	Temporary Service			
	34891-34896	Pacific Petroleum	5 yrs.	10- 1-70	
37	34912-34936	Enterprise Products	15 yrs.	12- 2-70	
	34937-34938	Pacific Petroleum			
	34939	Pacific Petroleum			
	34940-34941	Pacific Petroleum	5 yrs.	10- 1-70	
	34942	Pacific Petroleum			
	34943-34944	Sun Oil	5 yrs.	1-11-72	
	34945	Pacific Petroleum	5 yrs.	10- 1-70 (Pending)	
	34946	Not Leased			
	34947-34948	Pacific Petroleum			
	34949-34954	Pacific Petroleum	5 yrs.	10- 1-70	
	34955	Sun Oil	5 yrs.	1-11-72 (Pending)	Yes
	34956	Pacific Petroleum	5 yrs.	10- 1-70	
	34957	Sun Oil		No Lease	
	34958-34959	Hydrogas Ltd.	5 yrs.	4-23-71 (Pending)	
	34960	Sun Oil	5 yrs.	1-11-72 (Pending)	Yes
	34961	Not Leased			
	34962-34966	Diversified Chemical & Propellants	15 yrs.	6-16-71	
	34967	Pacific Petroleum	5 yrs.	10- 1-70	
	34968	Temporary Service			
	34969-34970	Pacific Petroleum	5 yrs.	10- 1-70	
	34971-34972	Sun Oil	5 yrs.	1-11-72 (Pending)	Yes
	34973-34982	Pacific Petroleum	5 yrs.	10- 1-70	
	34983-34988	Hydrogas Ltd.	5 yrs.	4-23-71 (Pending)	
15	71005-	Shell Oil	3 yrs.	9-23-71 (Pending)	
	71006	Temporary Service			
	71007	Not Leased			
	71008	Cargill	1 yr.	1- 6-72 (Pending)	
	71009	Shell Oil	3 yrs.	9-23-71 (Pending)	
	71010	Cargill	1 yr.	1- 6-72 (Pending)	
	71011-71012	Not Leased			
	71013-71015	Cargill	1 yr.	1- 6-72 (Pending)	
	71016-71019	Westvaco	7 yrs.	3-24-72 (Pending)	

Number of Cars	Serial Number of Cars	Lessee	Lease Term	Date of Lease	Purchase Option
19	71025-71027	Morrell & Co.	15 yrs.	10- 1-71	(Pending)
	71028	Not Leased			
	71029-71032	Temporary Service			
	71033-71037	Not Leased			
	71038-71043	E. I. duPont	1 yr.	2-15-72	(Pending)
15	71050-71054	Temporary Service			
	71055-71064	Humko }			
43	71065-71069	Humko }	10 yrs.	6-23-71	(Pending)
	71070-71072	Archer Daniels Midland	5 yrs.	5-19-71	(Pending)
	71073-71076	Wilson-Sinclair	10 yrs.	7- 7-71	
	71077-71079	Packerland Packing			
	71080	Shell Oil	3 yrs.	7-23-71	(Pending)
	71081	King Foods, Inc.	5 yrs.	11-10-71	
	71082	Not Leased			
	71083	Temporary Service			
	71084-71085	Not Leased			
	71086	National By-Products	1 yr.	10- 1-71	(Pending)
	71087	Not Leased			
	71088-71089	Shell Oil	3 yrs.	9-23-71	(Pending)
	71090	Not Leased			
	71091	Shell Oil	3 yrs.	9-23-71	(Pending)
	71092-71093	Not Leased			
	71094-71101	National Molasses	5 yrs.	7-16-71	
	71102	Cargill	1 yr.	1- 6-72	(Pending)
	71103	Westvaco	6 mos.	10-14-71	
	71104-71106	Not Leased			
	71107	Cargill	1 yr.	1- 6-72	(Pending)
19	71108-71109	Not Leased		—	
	71110-71111	Temporary Service		—	
	71112-71113	Not Leased		—	
	71114-71117	Sun Oil . .		No Lease	
	71118	American Oil	5 yrs.	12-15-71	(Pending)
	71119-71121	Temporary Service		—	
	71122	Not Leased		—	
	71123	Temporary Service		—	
	71124-71125	American Oil	5 yrs.	12-15-71	(Pending)
	71126	Kalama Chemicals	5 yrs.	7-28-71	
73	71141-71150	Hunt Foods	5 yrs.	5-21-71	(Pending)
	71151-71200	Hunt Foods	7 yrs.	5-21-71	(Pending)
	71201-71213	Morrell & Co.	15 yrs.	10- 1-71	
12	71214-71225	Hunt Foods	10 yrs.	7-12-71	(Pending)

Yes

 755 Tank Cars

<u>Number of Cars</u>	<u>Serial Number of Cars</u>	<u>Lessee</u>	<u>Lease Term</u>	<u>Date of Lease</u>	<u>Purchase Option</u>
11	43109-43119	S. C. Johnson & Son, Inc.	10 yrs.	11-26-69	
6	4411- 4416	Celotex	10 yrs.	2- 9-71	
50	4417- 4466	Weyerhaeuser	10 yrs.	3-26-71	
2	4467- 4468	Test Service in Canada		No Lease	
1	4469	Georgia Pacific	10 yrs.	9-26-71	
38	4470- 4507	Weyerhaeuser	10 yrs.	9- 7-71	
3	4508- 4510	Weyerhaeuser	10 yrs.	9- 7-71	
9	4511- 4519	Weyerhaeuser	10 yrs.	9- 7-71	
22	4520- 4541	Georgia Pacific	10 yrs.	9-26-71	
<hr/>					
<u>142 Total RBL and LU Cars</u>					
11	48178-48188	Indiana Farm Bureau	10 yrs.	8-27-70	(Pending)
1	48189	Not Leased			
4	48190-48193	Indiana Farm Bureau	10 yrs.	8-27-70	(Pending)
2	48196 & 48198	Indiana Farm Bureau	10 yrs.	8-27-70	(Pending)
78	48200-48277	Indiana Farm Bureau	10 yrs.	8-27-70	(Pending)
88	48278-48365	Union Pacific	6 yrs.	10-20-70	
102	48366-48467	Temporary Service		—	
10	48468-48477	Union Pacific	6 yrs.	10-20-70	
1	48478	Riviana Foods	5 yrs.	12- 2-70	
100	48479-48578	Morton-Norwich Products	15 yrs.	4- 8-71	
1	48579	Temporary Service		—	
15	48580-48594	Johnson Feed & Supply		No Lease	
5	48595-48599	Ideal Basic Industries	8 mos.	10-28-71	
1	48600	Not Leased		—	
7	48601-48607	Ideal Basic Industries	8 mos.	10-28-71	
1	48608	Not Leased		—	
7	48609-48615	Ideal Basic Industries	8 mos.	10-28-71	
2	48616-48617	Not Leased		—	
12	48618-48629	Ideal Basic Industries	8 mos.	10-28-71	
1	48630	Ideal Basic Industries	8 mos.	10-28-71	
1	48631	Not Leased		—	
39	48632-48670	Ideal Basic Industries	8 mos.	10-28-71	
5	48671-48675	MISCOA	6 mos.	12- 1-71	

<u>Number of Cars</u>	<u>Serial Number of Cars</u>	<u>Lessee</u>	<u>Lease Term</u>	<u>Date of Lease</u>	<u>Purchase Option</u>
5	48676-48680	Ideal Basic Industries	8 mos.	10-28-71	
1	48681	Not Leased		—	
18	48682-48699	Ideal Basic Industries	8 mos.	10-28-71	
2	48700-48701	Not Leased		—	
3	48703-48705	Not Leased		—	
7	48706-48712	Canadian National R.R.	6 mos.	11-24-71	
1	48713	Not Leased		—	
2	48714-48715	Canadian National R.R.	6 mos.	11-24-71	
1	48716	Not Leased		—	
3	48717-48719	Canadian National R.R.	6 mos.	11-24-71	
17	49100-49116	Canadian National R.R.	6 mos.	11-24-71	
100	49250-49349	Temporary Service		—	
5	90250-90254	Grain Processing	15 yrs.	5-18-71	
4	90255-90258	Midwest Solvents	10 yrs.	5- 6-71	
25	92935-92937	U.S. Steel	15 yrs.	9-22-70	
	92938-92939	U.S. Steel	15 yrs.	2-10-71	
	92940	Humble Oil & Refining	10 yrs.	1-19-71	
	92941	U.S. Steel	15 yrs.	2-10-71	
	92942-92944	Not Leased		—	
	92945	Whitewater Building Material Corp.	10 yrs.	3- 9-71	
	92946-92953	U.S. Steel	15 yrs.	4-30-71	(Pending)
	92954-92959	Temporary Service		—	
2	99100-99101	Floridan	15 yrs.	12- 1-71	(Pending)
18	99603	Englehard Mineral & Chemical	5 yrs.	7- 1-71	
	99604	Houdry Process & Chemical	5 yrs.	8-31-71	(Pending)
	99605	Temporary Service		—	
	99606-99607	Englehard	5 yrs.	7- 1-71	
	99609	Test Service		No Lease	
	99610	Temporary Service		—	
	99614	GAF Corporation	15 yrs.	12-16-70	
	99615-99616	E. I. duPont	5 yrs.	1- 8-71	Yes
	99617	GAF Corporation	15 yrs.	12-16-70	
	99618	Mobil Oil	10 yrs.	2- 4-71	
	99619	Houdry Process & Chemical	5 yrs.	8-31-71	(Pending)
	99620-99624	Kerr McGee	10 yrs.	5- 4-70	

708 Total Hopper Cars

EXHIBIT B

PLEDGE AND ASSIGNMENT

THIS PLEDGE AND ASSIGNMENT, dated as of February 1, 1972 (herein called the "Assignment"), from NORTH AMERICAN CAR CORPORATION, a Delaware corporation (herein called the "Assignor"), to THE NORTHERN TRUST COMPANY, an Illinois corporation (herein called the "Assignee"), as trustee under an equipment trust agreement with Assignor dated as of February 1, 1972 (herein, together with all supplements thereto, called the "Agreement"):

1. Except as provided above, the following terms, as used in this Assignment, shall have the respective meanings specified in Section 1.01 of the Agreement, to the same extent as if such definitions were incorporated herein and made a part hereof: "Deposited Cash" and "Equipment Bonds", "Equipment Mortgage", "Canadian Subsidiary", "Officer's Certificate", and "Opinion of Counsel".

2. This Assignment is made to the Assignee simultaneously with payment by the Assignee to the Assignor out of Deposited Cash of \$25,000,000 pursuant to Section 4.02 of the Agreement, which Deposited Cash was received by and deposited with the Assignee pursuant to Section 2.01 of the Agreement at the time of authentication and delivery of the Trust Certificates by the Assignee; and this Assignment is made for the equal and proportionate benefit of the holders from time to time of all the Trust Certificates issued under the Agreement to secure the payment, when and as due and payable, of the principal of and interest on the Trust Certificates and all other sums payable under the Agreement and the performance of and compliance with all of the terms of the Agreement and the Trust Certificates.

3. The Assignor hereby deposits with the Assignee and pledges, transfers and assigns to the Assignee all of the Assignor's right, title and interest in and to, and grants a security interest in, (a) the Equipment Bonds called for by Section 4.01 of the Agreement and all proceeds thereof, and (b) the Equipment Mortgage; including, without limitation, (i) the full amount of each instalment of interest; (ii) the full

amount of each payment of principal; (iii) the full amount of interest and principal and other amounts due upon maturity; (iv) all claims, rights, powers, privileges and remedies on the part of the Assignor, whether arising under the Equipment Bonds or the Equipment Mortgage, by statute, at law, in equity or otherwise, consequent on any failure on the part of the Canadian Subsidiary to perform or comply with any term of the Equipment Bonds or the Equipment Mortgage; and (v) all rights of the Assignor to give or receive any notice, consent, waiver or approval under or in respect of the Equipment Bonds or the Equipment Mortgage, to execute and deliver endorsements, assignments or other instruments of conveyance or transfer relating to the Equipment Bonds or the Equipment Mortgage or any release or other instrument, and to do any and all other things which the Assignor would be entitled to do as the holder of the Equipment Bonds *vis-a-vis* the Equipment Bonds or the Equipment Mortgage (the Assignor hereby irrevocably constituting and appointing the Assignee the attorney-in-fact of the Assignor for such purposes), together with the full power and authority, in the name of the Assignee or the Assignor or otherwise, to enforce, collect, receive and receipt for any and all of the foregoing. It is understood and agreed by the Assignor that the Assignee shall not be obligated to take any action of the type referred to in this paragraph 3 and that, by taking or failing to take any such action, the Assignee shall not incur responsibility to the Assignor or affect any of the liabilities or obligations of the Assignor under the Agreement. Any instrument so made, executed and delivered by the Assignee on behalf of the Assignor, shall be binding upon the Assignor and all persons claiming by, through or under the Assignor with the same effect as if the Assignor had itself made, executed and delivered the same.

The Assignor hereby irrevocably directs the Canadian Subsidiary to pay to the Assignee, at its address specified in or pursuant to paragraph 10, all payments of principal and interest and all other sums assigned pursuant to this paragraph 3.

Any and all rights of the Assignee under this paragraph 3 may be exercised pursuant to or as contemplated by the provisions of the Agreement and the Equipment Mortgage. The pledge and assignment provided for in this paragraph 3 shall be effective immediately and is not conditioned upon the occurrence of any default under the Agree-

ment, the Equipment Bonds or the Equipment Mortgage or any other event or contingency.

4. The Assignee, from time to time upon the Request of the Assignor (including a statement specifying the amount of interest then requested and that no event of default under either the Agreement or the Equipment Mortgage has occurred and is continuing and together with an Officer's Certificate and Opinion of Counsel in respect of compliance with conditions precedent both in the Agreement and in this Assignment), shall pay over to the Assignor payments received on account of interest on Equipment Bonds at the time pledged and assigned to the Assignee pursuant to paragraph 3 of this Assignment.

5. Any action, suit or proceeding brought by the Assignee pursuant to any of the terms hereof or of the Equipment Bonds, the Equipment Mortgage or otherwise, and any claim made by the Assignee hereunder or thereunder, may be compromised, withdrawn or otherwise dealt with by the Assignee without any notice to or approval of the Assignor.

6. The Assignee shall not be obligated to take any steps necessary to preserve any rights in the Equipment Bonds against prior parties who may be liable in connection therewith or to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation or duty with respect to or arising under the Equipment Bonds, the Equipment Mortgage or this Assignment, and the Assignor shall and does hereby agree to indemnify and hold the Assignee harmless of and from any and all liability, loss or damage which it may or might incur with respect to or arising under the Equipment Bonds, the Equipment Mortgage or this Assignment.

7. The Assignor at its expense will at all times cause the Equipment Mortgage and this Assignment, or such other instrument as may be designated by applicable law, to be recorded, registered and filed in such manner and in such places, and will pay all such recording, registration, filing or other taxes, fees and other charges, and will comply with all such statutes and regulations, as may be required for proper protection of the Assignee's security interest hereunder and of the rights of the Assignee, its successors and assigns under the Equipment Mortgage and this Assignment and the holders of Trust Certificates.

8. Upon the payment in full of the principal of and interest on the Trust Certificates, and all other indebtedness arising under the Agreement, in accordance with the terms of the Trust Certificates and the Agreement, this Assignment shall terminate and the Assignor shall be entitled to the return of the Equipment Bonds, if still outstanding, and of all other property and cash which have not been used or applied pursuant to the terms of the Agreement; in the event the Assignor becomes so entitled to the return of the Equipment Bonds or other property, the Assignee agrees to deliver the same (without recourse and without representations or warranties of any kind) to the Assignor at its address specified in or pursuant to paragraph 9.

9. Notwithstanding that interest on, and the principal of, the Equipment Bonds are expressed to be payable on demand, the Assignee agrees not to demand payment thereof unless or until an event of default shall have occurred under the Agreement or the Equipment Mortgage or unless so requested by the Assignor.

10. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered at or mailed by registered mail to (a) in the case of the Assignor, 77 South Wacker Drive, Chicago, Illinois 60606, Attention of the Secretary, or such other address as may hereafter be furnished to the Assignee in writing by the Assignor, and (b) in the case of the Assignee, 111 West Monroe Street, Chicago, Illinois Attention of Corporate Trust Department, or such other address as may hereafter be furnished to the Assignor in writing by the Assignee.

11. Neither this Assignment nor any term hereof may be changed, waived, discharged or terminated orally but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought.

12. Neither failure nor delay on the part of the Assignee to exercise any right, remedy, power or privilege provided for herein, by statute, at law or in equity, shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, remedy, power or privilege preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

IN WITNESS WHEREOF, the Assignor has caused this Assignment to be executed and its corporate seal to be hereunto affixed and attested by its officers, thereunto duly authorized, as of the date first above written.

NORTH AMERICAN CAB CORPORATION

By
President

Attest:

.....
Secretary

Dated as of February 1, 1972

NORTH AMERICAN CAR (CANADA) LIMITED

and

MONTREAL TRUST COMPANY

Trustee

**DEED OF TRUST AND MORTGAGE
SECURING 8% DEMAND EQUIPMENT BONDS,
FIRST 1972 SERIES**

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THIS DEED OF TRUST AND MORTGAGE made as of February 1, 1972

BETWEEN:

NORTH AMERICAN CAR (CANADA) LIMITED, incorporated under the laws of the Province of Ontario, Canada (hereinafter called the "Company")

OF THE FIRST PART

— and —

MONTREAL TRUST COMPANY, a trust company duly incorporated and authorized to carry on the business of a trust company in all provinces of Canada (hereinafter called the "Trustee")

OF THE SECOND PART

WHEREAS, the Company deems it advisable for its corporate purposes to create and issue its Bonds to be constituted, secured and issued in the manner hereinafter appearing; and

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

WHEREAS, all things necessary have been done and performed to make the Bonds when certified by the Trustee and issued as herein provided valid, binding and legal obligations of the Company with the benefits and subject to the terms of this Deed of Trust and Mortgage and to make this Deed of Trust and Mortgage valid and binding for the security of the Bonds in accordance with its and their terms;

NOW, THEREFORE, THIS DEED OF TRUST AND MORTGAGE WITNESSETH, and it is hereby agreed and declared as follows:

ARTICLE ONE

INTERPRETATION

SECTION 1.01. In this Deed of Trust and Mortgage, unless there is something in the subject matter or context inconsistent therewith:

(a) "this Trust Deed", "herein", "hereby" and similar expressions mean or refer to this Deed of Trust and Mortgage and any instrument supplemental or ancillary hereto; and the expressions "Article" and "Section" followed by a number mean and refer to the specified Article or Section of this Deed of Trust and Mortgage;

(b) "Bonds" means the Demand Equipment Bonds of the Company issued and certified hereunder and for the time being outstanding;

(c) "Bondholders" or "holders" means as regards the Bonds the several persons for the time being entered in the registry books of the Trustee hereinafter mentioned as holders thereof, subject to section 2.06;

(d) "Company" means the Party of the First Part and also every successor company which shall have complied with the provisions of Article Eight;

(e) "Director" means a director of the Company for the time being, and reference without more to action by the directors means actions by the directors of the Company as a board or, whenever duly empowered, an executive committee of the board;

(f) "Trustee" means the Party of the Second Part or its successors for the time being in the trusts hereby created;

(g) "Written order of the Company" and "certificate of the Company" mean, respectively, a written order and certificate signed in the name of the Company by the president or a vice president and by the secretary or an assistant secretary or the treasurer or an assistant treasurer, or by any one of said officers and a director, and may consist of one or more instruments so executed;

(h) "Certified resolution" means a copy of a resolution certified by the secretary or an assistant secretary of the Company under its corporate seal to have been duly passed by the directors and to be in full force and effect on the date of such certification;

(i) "Mortgaged Equipment" means the cars specifically described in the First Schedule hereto and, unless the context shall otherwise indicate, replacements thereof and additions thereto; "Leasehold Equipment" means the cars specifically described in the Second Schedule hereto and, unless the context shall otherwise indicate, replacements thereof and additions thereto; "Mortgaged Leaseholds" means the Company's interest as lessee in leases of the Leasehold Equipment from North American Car Corporation as lessor; and "mortgaged premises" means the property and assets hereby or by other instruments supplementary or ancillary hereto, granted, bargained, sold, ceded, transferred, assigned, mortgaged, hypothecated, pledged or charged by way of a fixed and specific mortgage, hypothec, pledge and charge to and in favour of the Trustee.

(j) "Leases" means all the present or future leases, bailments, licences and agreements to lease, bail or license and sub-leases, sub-bailments, sub-licenses and agreements to sub-lease, sub-bail or sub-license all or any of the Mortgaged Equipment or Leasehold Equipment made as lessor or sub-lessors by the Company or any of its predecessors in title and all present or future agreements whereby the Company, or any of its predecessors in title, gives as lessor or sub-lessor any other person a right to use any of the Mortgaged Equipment or Leasehold Equipment and all revisions, alterations, modifications, amendments, changes, extensions, renewals, replacements or substitutions thereof or therefor which may hereafter be effected or entered into;

(k) "Lien hereof" means the security constituted hereby or pursuant hereto in any manner whatsoever created;

(l) "Counsel" means a barrister or solicitor (who may be of counsel for the Company) acceptable to the Trustee;

(m) "Affiliate" means any person directly or indirectly controlling, controlled by, or under direct or indirect common control with the Company;

(n) "permitted liens" shall mean with respect to the Mortgaged Equipment, Leasehold Equipment or the Mortgaged Leaseholds, as the case may be, which the Company owns or shall own or in which it has or shall acquire an interest:

(i) the lien of taxes, assessments or governmental charges which are not at the time delinquent;

(ii) the lien of specified taxes, assessments or governmental charges which are delinquent but the validity of which is being contested at the time in good faith by or on behalf of the Company or any other person with an interest in such Mortgaged Equipment, Leasehold Equipment or Mortgaged Leaseholds, unless thereby in the opinion of counsel any part of or all of such Mortgaged Equipment or Mortgaged Leaseholds may be lost or forfeited;

(iii) rights reserved to or vested in any government, municipality or public authority to control or regulate any such Mortgaged Equipment, Leasehold Equipment or Mortgaged Leaseholds, or to use such Mortgaged Equipment or Leasehold Equipment in any manner which has no material adverse effect on the use of such Mortgaged Equipment or Leasehold Equipment for the Company's purposes;

(iv) liens of employees and laborers for current wages, not yet due, incidental to current operations, and liens of others for current indebtedness, not yet due, incidental to current operations, including maintenance, repair and alteration; mechanics', materialmen's, workmen's, repairmen's, contractors', or engineers' liens, or statutory or other similar liens arising out of the construction or improvement of property or the furnishing of materials or supplies therefor (i) which are not fixed as to amount, or (ii) which have not been filed or perfected pursuant to law against the Company, or (iii) which are not yet due and payable, or (iv) which are being contested in good faith;

(v) Leases existing on delivery hereof;

(vi) options to purchase cars bearing serial numbers 43028 to 43042 both inclusive (being part of the Mortgaged Equipment) contained on delivery hereof in the Leases of such cars and enabling the lessee(s) thereunder to purchase such cars on the expiration of the term of such Leases respectively; and

(vii) this Trust Deed.

(o) "Person" means any entity whether natural or artificial; and

(p) Words importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine and neuter genders.

SECTION 1.02. Every Bond certified and delivered by the Trustee hereunder shall be deemed to be outstanding until it shall be cancelled or moneys for the payment thereof shall be set aside under Article Eight.

SECTION 1.03. The division of this Deed of Trust and Mortgage into Articles and Sections, the provision of a table of contents and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Trust Deed.

SECTION 1.04. This Trust Deed and the Bonds shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as Ontario contracts.

ARTICLE TWO

THE BONDS

SECTION 2.01. The aggregate principal amount of Bonds which may be issued hereunder and secured hereby shall be limited to the sum of \$1,278,000 in lawful money of the United States of America and the principal of the Bonds and the interest thereon shall be payable as hereinafter provided in the form of Bonds set forth in Section 2.03.

SECTION 2.02. The Bonds shall be designated "8% Demand Equipment Bonds, First 1972 Series" and shall be issuable as fully registered Bonds without coupons in any denomination.

SECTION 2.03. The Bonds and the Trustee's certificate to be endorsed on all Bonds shall be of substantially the following tenor, to-wit:

(Form of Bond)

No. \$.....

NORTH AMERICAN CAR (CANADA) LIMITED
(Incorporated under the laws of Ontario, Canada)
8% Demand Equipment Bond, First 1972 Series

NORTH AMERICAN CAR (CANADA) LIMITED (herein called the "Company") for value received hereby acknowledges itself indebted and promises to pay to the registered holders hereof (subject to provisions below regarding pledgees), on demand, or on such earlier date as the principal hereof may become due in accordance with the provisions of the Deed of Trust and Mortgage hereinafter mentioned, the principal sum of..... Thousand Dollars (\$.....) in lawful money of the United States of America on presentation and surrender of this Bond at the principal office of Montreal Trust Company in Toronto, Canada, or, at the option of the registered holder hereof, at the principal office of The Northern Trust Company in Chicago, Illinois, United States of America, and to pay on demand, interest on the said principal sum at

the rate of 8% per annum, computed from the date hereof, in like money, and should the Company at any time make default in the payment of any principal or interest, to pay interest on the amount in default at the same rate in like money at the same places and on demand. Interest hereon shall be payable (except at maturity when interest at the option of the Company may be paid only on surrender hereof) by cheque mailed to the registered holder hereof as provided in the Trust Deed and, subject to the provisions of the Trust Deed, the mailing of such cheque shall satisfy and discharge the liability for interest on this Bond to the extent of the sum represented thereby.

This Bond is one of a duly authorized issue of 8% Demand Equipment Bonds, First 1972 Series of the Company secured by a Deed of Trust and Mortgage made as of the 1st day of February, 1972 (herein called the "Trust Deed") between the Company and Montreal Trust Company, as Trustee. The aggregate principal amount of the Bonds which may be issued under and secured by the Trust Deed is limited to \$1,278,000 in lawful money of the United States of America.

In the event that a pledge of this Bond is registered in the books of the Trustee and notice thereof is endorsed on this Bond the pledgee is entitled to payments to be made under this Bond and the other rights provided in section 2.06 of the Trust Deed.

This Bond and all other Bonds now or hereafter certified and issued under the Trust Deed are secured equally and ratably without priority or preference by the Trust Deed which mortgages and charges to and in favor of the Trustee by way of a fixed and specific mortgage and charge upon certain equipment described and enumerated in the Trust Deed, which Trust Deed is hereby referred to for full particulars of the security created thereby, the rights of the holders of the Bonds issued thereunder and of the Company and of the Trustee in respect thereof and the terms and conditions upon which the Bonds are issued, secured and held, to all of which the holder of this Bond by acceptance hereof assents.

Upon compliance with the provisions of the Trust Deed, Bonds may be exchanged for Bonds of other authorized denominations of the same aggregate principal amount and Bonds may be transferred.

This Bond shall not become obligatory for any purpose until certified by or on behalf of the Trustee for the time being under the Trust Deed.

IN WITNESS WHEREOF the Company has caused its corporate seal to be hereunto affixed and this Bond to be signed by its proper officers thereunto duly authorized this . . . day of, 19

NORTH AMERICAN CAR (CANADA) LIMITED

By
Vice President

.
Assistant Secretary

(Form of Trustee's Certificate)

This Bond is one of the 8% Demand Equipment Bonds, First 1972 Series referred to in the Trust Deed within mentioned.

MONTREAL TRUST COMPANY
Trustee

By.....
Authorized Signature

SECTION 2.04. The Bonds shall be under the corporate seal of the Company or a reproduction thereof (which shall be deemed to be the corporate seal of the Company) and shall be signed by the president or a vice president and by the secretary or an assistant secretary of the Company. The signatures of such officers may be mechanically reproduced in facsimile and Bonds bearing such facsimile signatures shall be binding upon the Company as if they had been manually signed by such officers. Notwithstanding that any of the persons whose manual or facsimile signature appears on any Bond as one of such officers may no longer hold office at the date of certification and delivery of such Bond, any Bond signed as aforesaid shall be valid and binding upon the Company.

No Bond shall be issued or, if issued, shall be obligatory or entitled to the security hereof until it has been certified by or on behalf of the Trustee substantially in the form of the certificate set forth in Section 2.03 and such certification by the Trustee upon any Bond shall be conclusive evidence as against the Company that the Bond so certified has been duly issued hereunder and is a valid obligation of the Company and is secured hereby.

SECTION 2.05. In case any of the Bonds issued and certified hereunder shall become mutilated or be lost, destroyed or stolen, the Company in its discretion may issue and thereupon the Trustee shall certify and deliver a new Bond 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 Bond or in lieu of and in substitution for such lost, destroyed or stolen Bond and the substituted Bond shall be in a form approved by the Trustee and shall be entitled to the security hereof and rank equally in accordance with its terms with all other Bonds issued or to be issued hereunder. The applicant for a new Bond pursuant to this section shall bear the cost of the issue thereof and in case of loss, destruction or theft shall, as a condition precedent to the issue thereof, furnish to the Company and to the Trustee such evidence of ownership and of the loss, destruction or theft of the Bond so lost, destroyed or stolen as shall be satisfactory to the Company and the Trustee in their discretion and such applicant may also be required to furnish indemnity in amount and form satisfactory to them in their discretion, and shall pay the reasonable charges of the Company and the Trustee in connection therewith.

SECTION 2.06. Bonds may be issued originally in such name or names as may be designated in writing by the Company to the Trustee by order signed by the president or a vice president of the Company. Bonds may from time to time be exchanged by the registered holder thereof upon surrender thereof for other Bonds of authorized denominations and for like aggregate principal amount. Such exchanges shall be made at the office of the Trustee which may make a reasonable charge therefor. The parties hereto may deem and treat the registered holder of any Bond as the absolute owner of such Bond for all purposes, free from all rights of set-off or counterclaim, and shall not be affected by any notice to the contrary, except that, notwithstanding anything herein contained, the Trustee may in its discretion register the pledgee of any Bond as well as the holder thereof in which case:

- (a) the Bond shall be endorsed appropriately,
- (b) all payments to be made hereunder, or under the Bond to the registered holder thereof shall be made to the pledgee,
- (c) either the pledgee or the holder may make any demand for principal and for interest under such Bond,
- (d) the holders interest in the Bond may not be transferred without the consent of the pledgee,
- (e) any notice to be given to the registered holder of the Bond hereunder will be given to both the pledgee and the holder,
- (f) no vote, waiver, consent, approval, request, direction, requisition or similar action in respect of such Bond may be effectively made or given by the holder without the concurrence of the pledgee, and
- (g) the terms 'registered holder of a Bond', 'Bondholder' and other terms with similar meanings shall be interpreted to give effect to this section 2.06.

For any registration or transfer, the Trustee may establish its reasonable requirements and at its option may, and if so requested by the Company shall, require the payment of a sum sufficient to reimburse it for any stamp tax or any other governmental charge connected therewith.

SECTION 2.07. Following the execution and delivery hereof, the Bonds, to the aggregate principal amount of \$1,278,000, shall forthwith be executed by the Company and certified by or on behalf of the Trustee and delivered by it to or upon the written order of the Company.

SECTION 2.08. All or any of the Bonds may be pledged, mortgaged or charged from time to time by the Company as security for advances or loans to or for indebtedness or any other obligation of the Company, and when re-delivered to the Company or its nominees on or without payment, satisfaction, release or discharge in whole or in part of any such advances, loans, indebtedness or obligations, may (except when acquired pursuant to any

provision of the Bonds or of this Trust Deed or pursuant to a resolution of the directors which provision or resolution requires cancellation and retirement of such Bonds so acquired), before but not after maturity be issued or reissued, pledged or charged, sold or otherwise disposed of from time to time as the Company may think fit, and all such Bonds so issued or reissued shall rank as Bonds secured hereby and shall continue to be entitled, as upon their original issue, to the benefit of all the terms, conditions, rights, priorities and privileges hereby attached to or conferred on Bonds outstanding hereunder.

ARTICLE THREE

SECURITY

SECTION 3.01. In consideration of the premises and of one dollar to it in hand paid by the Trustee, the receipt whereof is hereby acknowledged, and to secure the due payment of the principal and any interest on the Bonds issued and certified hereunder and all other moneys for the time being and from time to time owing on the security hereof and the due performance of the obligations of the Company herein contained, the Company hereby grants, bargains, sells, cedes, transfers, assigns, mortgages, hypothecates, pledges and charges as and by way of a fixed and specific mortgage, hypothec, pledge and charge to and in favour of the Trustee, its successors and assigns:

(i) the Mortgaged Equipment, subject to the Leases existing on delivery hereof and to the purchase options referred to in clause 1.01(n) (vi);

(ii) the Mortgaged Leaseholds subject to Leases existing on delivery hereof;

(iii) all right, title and interest of the Company as lessor in, to, under or in respect of all rents and other moneys now due and payable or hereafter to become due and payable under each and every Lease and under each and every existing and future guarantee of all or any of the obligations of any lessee under any Lease with full power and authority to demand, sue for, recover, receive and give receipts for all rents and other moneys payable thereunder; and

(iv) all cash that may at any time be deposited with or held by the Trustee in accordance with the provisions hereof.

TO HAVE AND TO HOLD the Mortgaged Equipment and Mortgaged Leaseholds and all the rights hereby conferred unto the Trustee, its successors and assigns forever, but in trust, nevertheless, for the uses and purposes and with the powers and authorities and subject to the terms and conditions herein mentioned and set forth.

SECTION 3.02. All the Bonds shall rank *pari passu* and shall be secured hereby equally and ratably.

SECTION 3.03. The mortgages and charges hereby created or provided to be created shall be effective whether the moneys thereby secured or any part thereof shall be advanced before or after or at the same time as the issue of any of the Bonds intended to be secured thereby or before or after or upon the date of execution of this Deed of Trust and Mortgage.

SECTION 3.04. The Company hereby covenants and agrees with the Trustee that:

(a) subject to permitted liens: it lawfully owns and is lawfully possessed of the Mortgaged Equipment and Mortgaged Leaseholds; it has good right and lawful authority by these presents to mortgage and charge the same; this Trust Deed when registered or recorded as hereinafter provided will constitute a valid and enforceable first lien upon the Mortgaged Equipment and Mortgaged Leaseholds; all the Mortgaged Equipment and Mortgaged Leaseholds are free and clear of any other deed of trust, mortgage, lien, charge or encumbrance thereon or affecting the title thereto, it will warrant and defend the title thereto against the claims and demands of all persons whomsoever;

(b) it will from time to time execute and do all such assurances and things as in the opinion of Counsel are necessary or advisable for validly giving to the Trustee the fixed and specific mortgage and charge hereby intended to be created and all such assurances shall be in such form as Counsel may advise;

(c) it will forthwith after the execution of this Trust Deed and after the execution of each instrument supplemental hereto register the same with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act of the United States of America and at all offices in the mainland provinces of Canada where the registration or recordation thereof may in the opinion of Counsel be necessary to the security hereby created or intended so to be and will deliver or exhibit to the Trustee on demand evidence of such registration, and will do, observe and perform all matters and things necessary or expedient to be done, observed or performed for the purpose of creating and maintaining the mortgage and charge hereby constituted as a valid and effective security;

(d) as soon as practicable after execution of this Trust Deed, there shall be plainly, distinctly, permanently and conspicuously placed and fastened upon each side of each car specifically described in the First Schedule or the Second Schedule hereto a metal plate bearing the following words, or such words shall be otherwise plainly, distinctly, permanently and conspicuously marked on each side of each such car, in either case in letters not less than seven-sixteenths (7/16) of one inch in height:

TITLE TO THIS CAR IS SUBJECT TO A DEED OF TRUST AND MORTGAGE DATED AS OF FEBRUARY 1, 1972, BETWEEN NORTH AMERICAN CAR (CANADA) LIMITED AND MONTREAL TRUST COMPANY;

Such plates or marks shall be such as to be readily visible, and as to indicate plainly that title to each such car is subject to this Trust Deed and if any such plates or marks are at any time removed, defaced or destroyed while this Trust Deed remains in effect, the Company shall forthwith cause the same to be restored or replaced.

(e) after the security hereby created shall have become enforceable and the Trustee shall have determined or become bound to enforce the same, it will from time to time execute and do all such assurances and things as the Trustee may reasonably require for facilitating the realization of the Mortgaged Equipment and Mortgaged Leaseholds and for exercising all the powers, authorities and discretions hereby conferred upon the Trustee and for confirming to any purchaser of any of the Mortgaged Equipment or Mortgaged Leaseholds, whether sold by the Trustee hereunder or otherwise, the title to the property so sold and will give all notices and directions as the Trustee may consider expedient, and specifically, but without limiting the generality of the foregoing, it will from time to time on request from the Trustee execute and deliver to the Trustee any one or more of the following: (i) specific assignments of all rents or other moneys then due or payable or thereafter to become due or payable under any one or more of the Leases and existing or future guarantees of all or any of the obligations of any lessee under any Lease and (ii) an assignment of all the right, title and interest of the Company as lessor in, to and out of all of the Leases and existing and future guarantees of all or any of the obligations of any lessee under any Lease, and all benefits and advantages to be derived therefrom and the full benefit of all powers, covenants, and conditions therein contained or thereunder arising; in each case as may be necessary or advisable to subject the same to the specific lien hereof and in such form as Counsel may advise. It is agreed that the Trustee will not give any notice of the assignment of rents and other moneys pursuant to Clause 3.01 (iii) or the lien hereof to any lessee under any Lease or to any party to a guarantee referred to in such clause until the security hereby created shall have become enforceable and the Trustee shall have become determined or been bound to enforce the same; and

(f) none of the Mortgaged Equipment or the Leasehold Equipment was put into service prior to August 1, 1970.

SECTION 3.05. These presents are upon this express condition, that if the Company shall well and truly pay to the holders of the Bonds or their designees, or part to one and part to the other, the principal of the Bonds and any interest thereon as the same shall respectively become due and payable and shall also

pay all other sums payable hereunder by the Company and secured hereby and shall keep, perform and observe the covenants in the Bonds and in this Trust Deed agreed to be kept, performed and observed by or on part of the Company, then these presents and the estate and rights hereby granted shall cease and become utterly null and void and the Mortgaged Equipment and Mortgaged Leaseholds shall revert to and revest in the Company without any release, acquittance, reconveyance, reentry or other act or formality whatsoever.

ARTICLE FOUR

POSSESSION, USE AND RELEASE OF MORTGAGED EQUIPMENT AND MORTGAGED LEASES

SECTION 4.01. Until the security hereby constituted shall have become enforceable and the Trustee shall have determined or become bound to enforce the same, the Company shall be permitted in the same manner and to the same extent as if this Trust Deed had not been executed but subject to the express terms hereof to possess, operate, manage, use and enjoy the Mortgaged Equipment, Leasehold Equipment and Mortgaged Leaseholds and use the rents, incomes, profits and issues thereof. Without limiting the generality of the foregoing, the Company may from time to time (a) make, or cause to be made, at its expense, changes and alterations in the design, structure and equipment of any of the Mortgaged Equipment and Leasehold Equipment as the Company may deem desirable to better meet the transportation requirements of users of the Mortgaged Equipment and Leasehold Equipment, and (b) collect, take and use the rents and other moneys due and becoming due under the Leases and any existing and future guarantees of all or any of the obligations of any lessee under any Lease, and (c) make as lessor Leases and deal with Leases and any present and future guarantees of all or any of the obligations of any lessee under any Lease including amending, terminating, extending, forfeiting and enforcing the same and waiving obligations thereunder, provided however that no such amendment shall adversely affect, to a material degree, the obligations of the Company under the Lease so amended, and deal with Mortgaged Leaseholds including amending, terminating, surrendering and enforcing the same and waiving obligations thereunder, and (d) otherwise furnish Mortgaged Equipment and Leasehold Equipment or any unit thereof to railway companies or to persons other than railway companies for use in their business, and (e) include in any such Lease or other instrument or contract pursuant to which such Mortgaged Equipment shall be leased or furnished, a grant by the Company of an option to purchase such Mortgaged Equipment; provided that no future Lease will be made or purport to be made with priority over this Trust Deed or the lien hereof unless the Trustee shall consent thereto in writing. The Company covenants that each future Lease shall contain (i) a statement that the equipment leased thereunder (or the Company's interest therein in the case of Leasehold Equipment) is subject to this Trust Deed and the lien hereof, that all rents and moneys payable thereunder have been assigned to the Trustee and that the Trustee is entitled to call upon the Company for an assignment of

all its right, title and interest under such Lease, and (ii) a representation by the lessee thereunder that it has not received any notice or any other mortgage, charge, hypothec or encumbrance on such equipment (or the Company's interest therein in the case of Leasehold Equipment) or any of the Company's rights under the Lease.

The Company covenants and agrees that, upon the written request of the Trustee, the Company will from time to time promptly furnish to the Trustee true and correct copies of all Leases in effect but the Trustee shall not be under any duty to make any such request. The Company hereby irrevocably makes, constitutes and appoints the Trustee the lawful agent and attorney-in-fact of the Company with full right, power and authority, in the event of the happening of an event of default, as defined in Section 6.01, to effect the assignment to the Trustee of all rights of the Company existing or arising out of all Leases to which the Company is then a party.

SECTION 4.02. The Company covenants and agrees with the Trustee as follows:

(a) The Company will cause all of the Mortgaged Equipment and Leasehold Equipment to be maintained in good order and repair and will make or cause to be made all repairs and changes in the Mortgaged Equipment and Leasehold Equipment necessary in order to make such equipment acceptable for interchange in accordance with general railroad rules and regulations; provided, however, that, upon giving notice to the Trustee, the Company may in good faith contest the validity of any such rules or regulations or the applicability thereof to the Mortgaged Equipment and Leasehold Equipment or any part thereof in any reasonable manner which will not, in the judgment of the Trustee, materially endanger the rights or interests of the Trustee or of the Bondholders;

(b) The Company will comply in all respects with the laws of all jurisdictions in which the Mortgaged Equipment or Leasehold Equipment may be operated and with all lawful rules, regulations and orders of all governmental bodies having power to regulate or supervise any of such equipment, provided however, that the Company may in good faith contest the validity of any such law, rule, regulation or order or the application thereof to the Mortgaged Equipment or Leasehold Equipment or any part thereof in any reasonable manner which will not materially endanger the rights or interests of the Trustee or of the Bondholders;

(c) (i) In the event that any of the Mortgaged Equipment shall be destroyed or damaged beyond repair, the Company notifies the Trustee that it intends to sell or assign its rights in any of the Mortgaged Equipment, or if any of the Mortgaged Equipment does not comply with or fulfill the terms of this Trust Deed, the Company, in its election, will immediately either (x) cause such Mortgaged Equipment to be replaced, at the Company's cost, by either equipment of aggregate fair market value or cost to the Company, whichever is lower,

equal to the aggregate fair market value, immediately prior to the occurrence of such event, of the Mortgaged Equipment replaced or to be replaced or (xx) pay to the Trustee an amount of money equal to the aggregate fair market value of such Mortgaged Equipment immediately prior to the occurrence of such event or (xxx) cause part of such Mortgaged Equipment to be replaced, at the Company's cost, and pay to the Trustee an amount equal to the difference between the fair market value or cost to the Company, whichever is lower, of such replacement equipment and the aggregate fair market value of all such Mortgaged Equipment immediately prior to the occurrence of such event.

(ii) If the Company elects to proceed under Item (xx) or Item (xxx) of subclause (i) above and does not serve a notice on the Trustee as contemplated in subclause (iii) next following, the Trustee shall hold such moneys as were paid to it under those Items (less any payments made to the Company under this subclause (ii)) for a period of one year during which, from time to time, the Company may but is not required to, replace by equipment any or all of such Mortgaged Equipment, or the portion thereof not previously replaced pursuant to Item (xxx) of subclause (i) above or this subclause (ii) whereupon the Trustee shall release to the Company from such moneys an amount equal to the lesser of the fair market value or the cost to the Company of such replacement equipment.

(iii) If the Company serves notice on the Trustee at the time it pays moneys to the Trustee pursuant to Item (xx) or Item (xxx) of subclause (i) above or during the one year period referred to in Subclause (ii) above to the effect that it does not intend to replace such Mortgaged Equipment, the Trustee shall immediately pay the whole of such moneys to the person or persons who would be entitled at such time to demand interest payments on the Bonds in amounts equal to each such person's proportionate right to receive such interest payments on such Bonds and any such payments made shall be applied in payment on the principal of the outstanding Bonds.

(iv) If the Company does not serve the notice contemplated in subclause (iii) above, and does not replace all of such Mortgaged Equipment pursuant to subclause (ii) above, then upon the termination of the one year period the Trustee shall pay the whole of such moneys as were paid to it less any payments which it made to the Company pursuant to subclause (ii) above to the person or persons entitled at that time to demand interest payments on the Bonds in amounts equal to each such person's proportionate right to receive such interest payments on such Bonds and any such payments made shall be applied in payment on the principal of the outstanding Bonds.

(v) At the time of every replacement or payment under the provisions of this Clause (c), the Company shall deliver to the Trustee

a certificate of the Company stating the fair market value (as aforesaid) of such Mortgaged Equipment and the cost and the fair market value of the replacement cars. In case of each replacement, the Company shall also deliver to the Trustee an opinion of Counsel to the effect that the Company has good title to such replacement cars, free from all liens and encumbrances other than permitted liens and purchase options which are disclosed, which opinion may be given in reliance upon a certificate of the Company as to the absence of liens and encumbrances. Any such replacement cars shall immediately be part of the Mortgaged Equipment, subject to all the terms and conditions hereof in all respects as though they had been part of the original Mortgaged Equipment. Following any such payment or replacement, the Trustee shall execute and deliver to the Company a release from the lien hereof of such Mortgaged Equipment.

(d) The Company will furnish to the Trustee, whenever required by the Trustee, and at least once, at or before April 15, in 1973 and in every calendar year thereafter so long as any of the Bonds remain outstanding, an officers' certificate signed by the Chairman of the Board or the President or any Vice-President and by the Treasurer or any Assistant-Treasurer or the Secretary or any Assistant-Secretary of the Company, dated as of the last day of the preceding January, stating the amount, description and numbers of all Mortgaged Equipment and Leasehold Equipment that may have become worn out, or that may have become unsuitable for use or lost or destroyed by accident or otherwise or have been purchased since the date of the last preceding statement (or the date of this Trust Deed in the case of the first statement) and that to the knowledge of the officers signing the certificate the Company has complied with the terms of this Trust Deed and specifically that there are no defaults by the Company hereunder or specifying the nature of such defaults as do exist hereunder. The Trustee shall have the right to inspect the Mortgaged Equipment and Leasehold Equipment once in each year but shall not be obligated so to do.

SECTION 4.03. Should all or any part of the Mortgaged Equipment or Mortgaged Leaseholds be taken by the exercise of any power of expropriation or under any similar power, the Trustee shall release the Mortgaged Equipment or Mortgaged Leaseholds so taken upon receipt by and deposit with the Trustee of:

(a) a certificate of the Company describing the Mortgaged Equipment or Mortgaged Leaseholds taken and the amount of the compensation therefor and stating either that such amount has been determined by arbitration or judicial proceedings or that it is at least equal to the fair market value of the Mortgaged Equipment or Mortgaged Leaseholds taken;

(b) the compensation for such property; and

(c) if required by the Trustee, an opinion of Counsel stating that such Mortgaged Equipment or Mortgaged Leaseholds has been duly taken by the exercise of one of the aforesaid powers.

In any proceedings for the taking of any part of the Mortgaged Equipment or Mortgaged Leaseholds by the exercise of any of the aforesaid powers, the Trustee may be represented by Counsel.

SECTION 4.04. When the trustee under the Equipment Trust Agreement (the "equipment trustee") dated as of February 1, 1972 between The Northern Trust Company, trustee, and North American Car Corporation ceases to have any right, title or interest in any car which forms part of the Leasehold Equipment then the Mortgaged Leaseholds and any Leases with respect thereto shall immediately cease to be subject to the charge of this Trust Deed, and shall revert to and revest in the Company without any release, acquittance, reconveyance, re-entry or other act or formality whatsoever, provided however, that the Trustee shall upon the request of the Company, execute any release, acquittance, reconveyance or other formal document upon being presented with a copy of a bill of sale wherein the equipment trustee purports to transfer and assign all its right, title and interest in such Leasehold Equipment.

SECTION 4.05.

(a) While moneys received by the Trustee under Section 4.02 or Section 4.03 remain with the Trustee such moneys and the income therefrom shall be held in trust for the benefit of the Bondholders and, when the Bonds become payable hereunder, shall be applied in payment on the principal of the outstanding Bonds. The Trustee may, and upon the written request of the Company shall, invest all or any part of such moneys in direct obligations of the United States of America.

(b) Upon the written request of the Company, the Trustee shall pay all or any part of the moneys which it received under Section 4.03 to the registered holders of the Bonds pro rata and any such payments made shall be applied in payment on the principal of the outstanding Bonds.

ARTICLE FIVE

GENERAL COVENANTS OF THE COMPANY; PAYING AGENT

SECTION 5.01. The Company covenants that it will punctually pay the principal and interest to become due in respect of all of the Bonds at the time and place and in the manner specified herein, all in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

SECTION 5.02. The Company covenants that it will at all times maintain its corporate existence, will carry on and conduct its business in a proper and efficient manner and in accordance with good business practice, will keep or cause to be kept proper books of account in accordance with good accounting practice, and will annually file with the Trustee a copy of its balance sheet as at the close of its last preceding fiscal year.

SECTION 5.03. The Company covenants that it will punctually pay and discharge every obligation lawfully incurred by it or imposed upon it or the Mortgaged Equipment or any part thereof by virtue of any law, regulation, order, direction or requirement of any competent authority or any contract, agreement, lease, license, concession, franchise, permit or otherwise, failure to pay or discharge which might result in any lien or charge or any right of distress, forfeiture, termination or sale or any other remedy being enforced against the Mortgaged Equipment or any part thereof and will exhibit to the Trustee when required reasonable evidence establishing such payments; provided that the Company may, upon furnishing such security, if any, as the Trustee may require, refrain from paying and discharging any such obligation so long as it shall in good faith contest its liability therefor.

SECTION 5.04. The Company covenants that it will pay to the Trustee reasonable remuneration for its services hereunder and will reimburse the Trustee for all moneys properly expended or advanced by the Trustee in the administration or execution of the trusts hereby created both before any default hereunder and thereafter until all duties of the Trustee under the trusts hereof shall be finally and fully performed; and the Trustee's remuneration and the moneys so expended or advanced, and any interest thereon, shall be secured hereby, and the Trustee shall have a lien therefor upon the Mortgaged Equipment and the proceeds thereof in priority to principal and interest of the Bonds secured hereby, and such moneys shall be payable out of any funds coming into the possession of the Trustee under the terms hereof.

SECTION 5.05. The Company covenants and agrees from time to time to do all such acts and execute all such instruments of further assurance as it shall be reasonably requested by the Trustee to do or execute for the purpose of fully carrying out and effectuating this Trust Deed and the intent hereof.

SECTION 5.06. The Company covenants generally that it will well and truly perform and carry out all of the acts or things to be done by it as provided in this Trust Deed.

ARTICLE SIX

DEFAULT AND ENFORCEMENT

SECTION 6.01. The security hereby constituted shall become enforceable, subject to the terms herein contained, in each and every of the events following (herein sometimes referred to as "events of default"):

(a) if the Company makes default in payment of the principal of any Bond secured hereby when the same becomes due under any provision hereof or of the Bonds;

(b) if the Company makes default in payment of any interest due on any Bond secured hereby;

(c) if an order shall be made or an effective resolution be passed for the winding up or liquidation of the Company, except in the course of carrying out or pursuant to a transaction in respect of which the conditions of Section 8.02 are duly observed and performed;

(d) if the Company shall make a general assignment for the benefit of its creditors, or shall be declared bankrupt, or if a custodian or a sequestrator or a receiver and manager or any other officer with similar powers shall be appointed of the Company or of the Mortgaged Equipment or any part thereof which is, in the opinion of the Trustee, a substantial part thereof;

(e) if an encumbrancer shall take possession of the Mortgaged Equipment or any part thereof which is, in the opinion of the Trustee, a substantial part thereof or if a distress or execution or any similar process be levied or enforced thereagainst and remain unsatisfied for such period as would permit such property or such part thereof to be sold thereunder; and

(f) if the Company shall fail to carry out or observe any other covenant or condition herein contained on its part to be observed and performed and, after notice in writing has been given by the Trustee to the Company specifying such default and requiring the Company to put an end to the same, the Company shall fail to make good such default within a period of ninety days, unless the Trustee (having regard to the subject matter of the neglect or non-observance) shall have agreed to a longer period, and in such event, within the period agreed to by the Trustee.

SECTION 6.02. In case the security hereby constituted shall become enforceable as hereinbefore provided, the Trustee in its discretion may, and upon the written request of the holders of not less than 25% in principal amount of the then outstanding Bonds shall, by notice in writing to the Company declare the principal and any interest of all Bonds then outstanding and other moneys secured hereby to be due and payable and the same shall forthwith become immediately due and payable to the Trustee, anything therein or herein to the contrary notwithstanding, and the Company shall forthwith pay to the Trustee for the benefit of the Bondholders the principal of and accrued and unpaid interest and interest on amounts in default on such Bonds and all other moneys secured hereby, together with subsequent interest thereon at the rate borne by the Bonds from the date of the said declaration until payment is received by the Trustee, such subsequent interest to be payable on demand at the places and in the moneys mentioned in and according to the tenor of the Bonds. Any and all moneys so collected by the Trustee shall be applied by it as hereinafter in Section 6.04 provided.

SECTION 6.03. In case the security hereby constituted shall become enforceable as hereinbefore provided, the Trustee may by its agents take possession of and/or exercise all rights in respect of all or any part of the Mortgaged Equipment and Mortgaged Leaseholds and retain all payments which up to that time have been made on account of rental for the Mortgaged Equipment and Leasehold Equipment and otherwise, and shall be entitled to collect, receive and retain all unpaid per diem, mileage or other charges of any kind earned by the Mortgaged Equipment and Leasehold Equipment or any part thereof, and, subject only to the rights, if any, under Leases which have priority over this Trust Deed, may lease the Mortgaged Equipment or Leasehold Equipment or any part thereof, or with or without retaking possession thereof (but only after declaring due and payable the entire amount payable by the Company as provided for in Section 6.02 hereof) may sell the Mortgaged Equipment or Mortgaged Leaseholds or any part thereof, free from any and all claims of the Company at law or in equity, in one lot and as an entirety or in separate lots, in so far as may be necessary to perform and fulfill the trust hereunder, at public or private sale, for cash or upon credit, in its discretion, and may proceed otherwise to enforce its rights and the rights of the holders of interests hereunder in the manner herein provided. Upon any such sale, the Trustee itself may bid for the property offered for sale or any part thereof. Any such sale may be held or conducted at such place, in such manner and at such time as the Trustee may specify, or as may be required by law, and without gathering at the place of sale the Mortgaged Equipment or Leasehold Equipment concerned, and in general in such manner as the Trustee may determine, but so that the Company may and shall have a reasonable opportunity to bid at any such sale. Upon such taking possession, exercise of rights, lease or sale the Company shall cease to have any rights or remedies in respect of the Mortgaged Equipment or Leasehold Equipment hereunder, but all such rights and remedies shall be deemed thenceforth to have been waived and surrendered by the Company, and no payments theretofore made by the Company for the rent or use of the Mortgaged Equipment or Leasehold Equipment or any of it shall, in case of the happening of any such event of default and such taking possession, lease or sale by the Trustee, give to the Company any legal or equitable interest or title in or to the Mortgaged Equipment or Leasehold Equipment or any of it or any cause or right of action at law or in equity in respect of the Mortgaged Equipment or Leasehold Equipment against the Trustee or the holders of Bonds hereunder. The holders of a majority in principal amount of the then outstanding Bonds shall have the right from time to time to direct which of the proceedings above provided for shall be taken for the enforcement of the remedies contained herein.

Upon any sale, the receipt of the Trustee for the purchase money shall be a sufficient discharge to any purchaser of the Mortgaged Equipment or Mortgaged Leaseholds or any part thereof sold as aforesaid; and no such purchaser or his representatives, grantees and/or assigns, after paying such purchase money and receiving such receipt, shall be bound to see to the application of such purchase money upon or for any trust or purpose of this Trust Deed, or

in any manner whatsoever be answerable for any loss, misapplication or non-application of any such purchase money or any part thereof, or be bound to inquire as to the authorization, necessity, expediency or regularity of any such sale.

SECTION 6.04. If, in case the security hereby constituted shall become enforceable as hereinbefore provided, the Trustee shall exercise any of the powers conferred upon it by this Article, all payments made by the Company to the Trustee hereunder after such event of default, and the proceeds of any judgment collected from the Company by the Trustee hereunder, and the proceeds of every sale of any of the Mortgaged Equipment and of any of the Mortgaged Leaseholds and every lease of the Mortgaged Equipment or the Leasehold Equipment, together with any other sums which may then be held by the Trustee under any of the provisions hereof, shall be applied by the Trustee to the payment in the following order or priority: (a) of all proper charges, expenses or advances made or incurred by the Trustee in accordance with the provisions hereof and (b) of the interest then due, at the rate borne by the Bonds, and of the principal of all the outstanding Bonds, all such payments to be in full if such proceeds shall be sufficient, and if not sufficient, then pro rata without preference between principal and interest.

After all such payments shall have been made in full, the title to any of the Mortgaged Equipment and Mortgaged Leaseholds remaining unsold shall be conveyed by the Trustee to the Company along with any Leases and rents falling due thereunder which have been deposited with the Trustee free from any further liabilities or obligations to the Trustee hereunder. If after applying all such sums of money realized by the Trustee as aforesaid there shall remain any amount due to the Trustee under the provisions hereof, the Company agrees, forthwith and without notice or demand, to pay the amount of such deficit to the Trustee. If after applying as aforesaid the sums of money realized by the Trustee there shall remain a surplus in the possession of the Trustee, such surplus shall be paid to the Company.

SECTION 6.05. If at any time after the principal of all the Bonds shall have been declared and have become due and payable as in Section 6.02 provided, all arrears of principal and interest of the Bonds, the expenses of the Trustee occasioned by the Company's default, and all other sums which shall have become due and payable by the Company hereunder shall be paid by the Company before any sale by the Trustee of any of the Mortgaged Equipment or the Mortgaged Leaseholds or any lease of the Mortgaged Equipment or Leasehold Equipment by the Trustee and every other default in the observance or performance of any covenant or condition hereof shall be made good or secured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall be made therefor, then, and in every such case, the Trustee, if so requested by the holders of at least a majority in principal amount of the Bonds then outstanding, shall by written notice to the Company waive the default by reason of which there shall have been such declaration or declarations and the

consequences of such default, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

SECTION 6.06. No taking of possession of the Mortgaged Equipment by the Trustee, or any sale of the Mortgaged Equipment or the Mortgaged Leaseholds or any lease of the Mortgaged Equipment or the Leasehold Equipment, nor any action or failure or omission to act against the Company or in respect of the Mortgaged Equipment or Mortgaged Leaseholds on the part of the Trustee or on the part of the holder of any Bond, nor any delay or indulgence granted to the Company by the Trustee or by any such holder, shall affect the obligations of the Company hereunder. The Trustee may at any time upon notice in writing to the Company apply to any court of competent jurisdiction for instructions as to the application and distribution of the property held by it.

SECTION 6.07. In case the Trustee shall demand possession of the Mortgaged Equipment pursuant to the provisions hereof, and shall reasonably designate a point or points for the delivery of the Mortgaged Equipment to it, the Company, subject to the rights of any lessees of the Mortgaged Equipment, shall at its own expense forthwith and in the usual manner cause the Mortgaged Equipment to be moved to such point or points as shall be designated by the Trustee and shall there deliver or cause to be delivered the same to the Trustee, or the Trustee may at its option keep the Mortgaged Equipment on any of the lines of railroads or premises of the Company until the Trustee shall have leased, sold or otherwise disposed of the same, and for such purpose the Company agrees to furnish without charge for rent or storage the necessary facilities at any convenient point or points selected by the Trustee. It is hereby expressly covenanted and agreed that the performance of this covenant is of the essence of this Trust Deed and that, upon application to any court having jurisdiction in the premises, the Trustee shall be entitled to a decree against the Company requiring the specific performance thereof.

SECTION 6.08. The Trustee is hereby irrevocably appointed special agent and representative of the holders of the Bonds and vested with full power in their behalf to effect and enforce this Trust Deed for their benefit as provided herein; but anything in this Trust Deed contained to the contrary notwithstanding, the holders of at least a majority in principal amount of the Bonds then outstanding shall have the right from time to time, if they so elect and manifest such election by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct and control the method and place of conducting any and all proceedings for any sale of the Mortgaged Equipment or Mortgaged Leaseholds, or any adjournment thereof, or for the appointment of a receiver or for any other action or proceeding hereunder, provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Trust Deed, but they shall have no right to involve the Trustee in any personal liability of any kind to anybody without first and from time to time indemnifying it to its satisfaction.

SECTION 6.09. The remedies in this Trust Deed provided in favor of the Trustee and the holders of the Bonds, or any of them, shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in their favor existing at law or in equity.

ARTICLE SEVEN

CONCERNING THE TRUSTEE

SECTION 7.01. The Trustee shall cause to be kept at its office in Toronto, Canada, books for the registration and transfer of the Bonds and upon presentation for such purpose the Trustee will transfer and register or cause to be transferred and registered as hereinbefore provided, and under such reasonable regulations as it may prescribe, any of the Bonds.

SECTION 7.02. The Trustee hereby accepts the trusts imposed upon it by this Trust Deed subject to the terms hereof, including the following express terms and conditions:

(a) The Trustee assumes no liability for anything other than its own wilful misconduct or gross negligence. The Trustee assumes no responsibility for the payment of the Bonds unless furnished with funds for that purpose. It assumes no responsibility for the sufficiency of insurance policies, adequacy of insurance, or responsibility of insurers. It shall be required to undertake no act or duty in the way of taking care of, or taking possession of, the Mortgaged Equipment or Leasehold Equipment or Mortgaged Leasehold until secured to its satisfaction against all liability and expense. No duty of insurance or of repairs or of the protection of any of the Mortgaged Equipment or Leasehold Equipment or Mortgaged Leaseholds is incumbent upon it, nor shall it be responsible for the filing, registration, recording, re-filing or re-recording of this Trust Deed or of any agreement supplemental hereto or amendatory hereof, nor to ascertain whether any taxes, licenses or assessments have been imposed or remain unpaid upon or against the Mortgaged Equipment or Leasehold Equipment or Mortgaged Leaseholds or any part thereof; and the Trustee may issue and deliver Bonds in advance of such registration, filing or recording.

(b) The Trustee shall be protected and incur no liability in acting under any request, resolution, certificate or opinion of Counsel provided for herein which it deems genuine and sufficient.

(c) The Trustee may consult with Counsel (who may, in cases deemed by the Trustee, in its reasonable discretion, to be appropriate, be counsel for the Company) in respect to any matter pertaining to the trusts hereby created, or the execution thereof, and shall be fully protected for any act or failure to act hereunder, reasonably done or omitted by it in good faith in accordance with the opinion of Counsel, and such act or omission shall be conclusive upon the parties hereto and upon all holders of Bonds.

(d) The Trustee shall in no way be liable for any covenant herein agreed to be performed by the Company, nor for any act or thing done or omitted to be done by the Company under the provisions hereof.

(e) The Trustee shall not be responsible for any recital, statement or representation herein or in the Bonds contained, or in any paper furnished or filed with the Trustee pursuant to the provisions hereof, and it shall be conclusively presumed that all such recitals, statements and representations are not made by the Trustee.

(f) The Trustee shall not be responsible in any manner whatsoever for the validity or legal effect of this Trust Deed or of the Bonds or for the sufficiency of title to the Mortgaged Equipment, Mortgaged Leases or for the validity of or sufficiency of title to the Leases.

(g) The Trustee shall not in any event be responsible for the act of any agent, provided only such agent is selected with reasonable care.

(h) The Trustee shall be entitled to reasonable compensation from the Company for all services rendered by it in the execution of the trust hereby created (which shall not be limited to the compensation for trustees provided by law). The Trustee shall be reimbursed by the Company for any expenditures made by the Trustee on account of any of the provisions or requirements hereunder, or for any liability or damages which the Trustee may incur or sustain and such compensation and expenditures, as well as all its reasonable expenses, including the compensation and reasonable expenditure of agents, attorneys in fact and legal Counsel and attorneys, incurred or actually disbursed, and, except in respect of any liability, damages or expenses, including Counsel fees, arising from or as a result of the Trustee's wilful misconduct or gross negligence and, subject to the foregoing exception, any and all sums advanced and paid out by the Trustee out of its own funds or funds advanced by holders of Bonds shall be withheld by the Trustee out of the moneys paid to its as rentals under the terms hereof and applied in reimbursement of any such advances.

(i) Anything herein contained to the contrary notwithstanding, the Trustee shall be under no obligation to take action for the execution or enforcement of any of the trusts hereby created nor for the enforcement of any right hereunder unless requested thereunto in writing by the holders of not less than 25% in principal amount of the then outstanding Bonds and upon being furnished with indemnity satisfactory to it against expense and liability with respect thereto and also furnished with proof satisfactory to it as to the ownership of the Bonds in respect of which any notice or request may be made; but neither any such request nor this provision therefor shall affect any discretion herein elsewhere specifically given to the Trustee to determine what action it shall take in respect of any such default, or to take action without request.

(j) No holder of any Bond issued hereunder shall have any right to institute any suit, action or proceeding for the execution and enforcement

of the trust hereby created unless, after the aforesaid request in writing by the holders of not less than 25% in principal amount of the then outstanding Bonds shall have been made upon the Trustee, an agreement of indemnity satisfactory to it provided, a reasonable time elapsed for action by the Trustee upon such request, and the Trustee shall decline or fail to institute any proceedings pursuant hereto.

(k) The Trustee may, for all purposes other than payment of principal and any interest on Bonds, conclusively assume that the Company is not in default under the terms hereof until notified in writing to the contrary by the holders of at least 10% in principal amount of the Bonds then outstanding, which notice shall specify the default desired to be brought to the attention of the Trustee.

(l) The Trustee shall not incur any liability to anybody in acting upon any notice, consent, order, certificate, warrant or other paper or instrument believed by it to be genuine or authentic and to be signed by the proper party or parties.

(m) The Company, or the holders of at least 10% in principal amount of the outstanding Bonds, or either of them, may from time to time examine the books and accounts of the Trustee relating to said Bonds and to this Trust Deed and to the acts of the Trustee hereunder.

(n) The Trustee shall not, nor shall its agents or attorneys, by reason of anything herein contained, any entry into possession of the mortgaged assets or any part thereof, or the collection or receipts of any rents or other moneys payable under any of the Leases; (i) be liable for the performance of any of the obligations of the Company under or in respect of any of the Leases, or (ii) become or be deemed to be a mortgagee in possession, or (iii) be liable to account for anything except actual receipts, or (iv) be under any obligation to take any action or exercise any remedy (including the collection of rents or other moneys or the enforcement of any obligations under any of the Leases), or (v) be liable for any loss or realization for any default or omission for which a mortgagee in possession might be liable; save in each case such as may be caused by its own negligence or wilful misconduct.

SECTION 7.03. The Trustee may resign and be discharged from the trusts created by this Trust Deed, by giving to the Company and to the registered holders of the Bonds then outstanding notice in writing of such resignation, specifying a date when such resignation shall take effect. If desired by the Trustee, such notice may be given to the holders of the Bonds by publication of the notice at least once in each of two successive calendar weeks prior to the date specified in such notice, in one daily newspaper published in Toronto, Canada, and in one daily newspaper published in Chicago, Illinois, United States of America. Such resignation shall take effect on the date specified in such notice (which date shall not be less than 30 days after the giving or first publication of such notice) unless previously a successor trustee shall be appointed as hereinafter provided, in which event such resignation shall take

effect immediately upon the appointment of such successor trustee. Upon the taking effect of such resignation, the Trustee (or any trustee so resigning) shall, without further act on its part, be completely relieved from any and all obligation or responsibility under or with respect to this Trust Deed, the Bonds, the Mortgaged Equipment, the Mortgaged Leases or the Leasehold Equipment.

Any trustee hereunder may be removed at any time by instrument in writing filed with the Trustee and executed by the holders of at least a majority in principal amount of the Bonds.

SECTION 7.04. In case at any time the Trustee shall resign or shall be removed or otherwise shall become incapable of acting, a successor may be appointed by the holders of at least a majority in principal amount of the Bonds at the time outstanding, by an instrument or concurrent instruments signed by such Bondholders or their attorneys in fact duly authorized and filed with such successor trustee; but until a new trustee shall be appointed by said Bondholders as herein authorized, the Company, by an instrument executed under its corporate seal, may appoint a trustee to fill or avoid such vacancy. Every such successor trustee, whether appointed by the Bondholders or by the Company, shall always be a corporation authorized to accept and execute trusts and having an office in Toronto, Canada, and in each case having a capital stock, reserve fund and undivided profits aggregating at least \$10,000,000. After any such appointment by the Company, it shall cause notice of such appointment to be published once a week in each of two successive weeks in one daily newspaper published in Toronto, Canada, and in one daily newspaper published in Chicago, Illinois, United States of America, but any new trustee so appointed by the Company shall immediately, and without further act, be superseded by a trustee appointed, in the manner above provided, by the holders of at least a majority in principal amount of the Bonds.

Any successor trustee appointed hereunder shall execute, acknowledge and deliver to the Company and to the retiring trustee an instrument accepting such appointment hereunder, and thereupon such successor trustee, without any further act, deed or conveyance, shall become vested with title to the trust estate, and with all the rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named as trustee herein, and the trustee ceasing to act shall, on the written request of such successor trustee, assign and transfer the trust estate including the Mortgaged Equipment and Mortgaged Leases and moneys held by the Trustee hereunder or cause the trust estate to be assigned and transferred to the successor trustee, upon payment of all amounts owing to it hereunder. Upon request of such successor trustee, the Company shall execute and deliver such instruments of further assurance as may reasonably be required for more fully and certainly vesting in and conforming to such successor trustee all right, title and interest of the predecessor trustee in and to the trust estate and such rights, powers, trusts, duties and obligations. All instruments herein provided for shall be at the cost of the Company.

Any banking corporation or trust company resulting from any merger or consolidation to which the Trustee, or any successor to it, shall be a party shall be the successor trustee under this Trust Deed without the execution or filing of any paper or any further act on the part of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 7.05. Notwithstanding the other provisions of this Article Seven the Trustee shall give to all the registered holders of Bonds then outstanding notice in writing, promptly after the Trustee's Montreal office becomes aware of the occurrence thereof, of every event of default arising hereunder and continuing at the time the notice is given.

ARTICLE EIGHT

MISCELLANEOUS

SECTION 8.01.

(a) Upon proof being given to the reasonable satisfaction of the Trustee that all the Bonds and any interest thereon and other moneys hereby secured have been paid off or satisfied, such payment has been duly and effectually provided for by payment to the Trustee or otherwise, and upon payment of all costs, charges and expenses properly incurred by the Trustee in relation to these presents and all interest thereon and the remuneration of the Trustee, or upon provision satisfactory to the Trustee being made therefor, the Trustee shall, at the request and at the expense of the Company, execute and deliver to the Company such deeds or other instruments as shall be requisite to evidence the satisfaction and discharge of the security hereby created, to release or reconvey the Mortgaged Equipment and Mortgaged Leaseholds freed and discharged from the trusts and provisions herein contained and to release the Company from its covenants herein contained except those relating to the indemnification of the Trustee.

(b) It is hereby declared and agreed that no purchaser from the Company or its successors and assigns shall be obliged to inquire into the necessity, expediency, authority or regularity of or for any such deeds or other instruments of release or reconveyance or the application of any moneys or securities provided or set aside for the payment of any outstanding Bond or interest thereon.

SECTION 8.02. The Company shall not enter into any transaction whereby all or substantially all of its undertaking, property and assets would become the property of any other company (herein called a "successor company") whether by way of reconstruction, reorganization, consolidation, amalgamation, merger, transfer, sale or otherwise unless the following conditions (a) and (b) are met, but may do so if the following conditions (a) and (b) are met:

(a) the successor company shall execute, prior to or contemporaneously with the consummation of such transaction, such instruments as are satisfactory to the Trustee and in the opinion of Counsel are necessary

or advisable to evidence the assumption by the successor company of the due and punctual payment of all the Bonds and the interest thereon and all other moneys payable hereunder and the covenant of the successor company to pay the same and its agreement to observe and perform all the covenants and obligations of the Company under this Trust Deed; and

(b) such transaction shall to the satisfaction of the Trustee and in the opinion of Counsel be upon such terms as substantially to preserve and not to impair the security constituted by this Trust Deed or any of the rights and powers of the Trustee or of the Bondholders hereunder.

Whenever the conditions of this Section have been duly observed and performed the successor company shall possess and from time to time may exercise each and every right and power of the Company under this Trust Deed in the name of the Company or otherwise and any act or proceeding by any provision of this Trust Deed required to be done or performed by any directors or officers of the Company may be done and performed with like force and effect by the like directors or officers of such successor company.

SECTION 8.03. From time to time the Company and the Trustee may, and, in the case of the actions referred to in subparagraph (c) of this Section, they shall if requested so to do by the holders of at least a majority in principal amount of the then outstanding Bonds, execute and deliver by their proper officers, deeds or instruments supplemental hereto, which thereafter shall form part hereof, for any one or more of the following purposes:

(a) to describe specifically and subject to the lien hereof cars furnished pursuant to the provisions of Article Four in replacement of the Mortgaged Equipment referred to therein,

(b) to evidence the succession of successor companies to the Company and the covenants of and obligations assumed by such successor companies in accordance with the provisions of Section 8.02;

(c) making any additions to, deletions from or alterations of the provisions of the Trust Deed which, in the opinion of the Trustee, do not adversely affect in any substantial respect the interests of the holders of the Bonds and which the Company may deem necessary or advisable in order to facilitate the sale of any of the Bonds or in order to incorporate, reflect or comply with provisions relating to trust indentures or trustees under trust indentures contained in any corporations act, securities act, trust indenture act or similar legislation in any jurisdiction in which the Company may desire to sell any of the Bonds, in which any affiliate of the Company may desire to sell any securities secured in whole or in part by any of the Bonds, in which any of the Company's or any Affiliate's securities are listed for trading on a stock exchange or whose laws apply to the Company or the Bonds or an Affiliate including, without limiting the generality of the foregoing, provision for the appointment of an additional trustee or co-trustee in any jurisdiction;

(d) to add to or alter the provisions hereof in respect of the registration and transfer of Bonds, to make provision for the issue of Bonds of

denominations other than those herein provided for and for the exchange of Bonds of different denominations, and to make any modification in the form of the Bonds which does not affect the substance hereof; and

(e) for any other purpose not inconsistent with the terms of this Trust Deed, including the correct or rectification of any ambiguities, defective provisions, errors or omissions herein, provided that in the opinion of the Trustee the rights of the Trustee or of the Bondholders are in no way prejudiced thereby.

SECTION 8.04. No recourse under any obligation, covenant or agreement of this Trust Deed shall be had against any stockholder, officer or director of the Company, by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any statute or otherwise; it being expressly agreed and understood that this Trust Deed is solely a corporate obligation, and that no personal liability whatever shall attach to or be incurred by the stockholders, officers or directors of the Company, or any of them, under or by reason of any of the obligations, covenants or agreements contained in this Trust Deed, or implied therefrom, and that any and all personal liability, either at law or in equity, or otherwise, of every stockholder, officer or director is hereby expressly waived as a condition of and consideration for the execution of this Trust Deed and the issue and delivery of the Bonds.

SECTION 8.05. Any request or other instrument required by this Trust Deed to be signed or executed by holders of Bonds may be in any number of concurrent instruments of similar tenor, and may be executed by such holders in person, or by an agent or attorney appointed by an instrument in writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such agent or attorney, or of the holding by any person of Bonds, shall be sufficient for any purpose hereof, and shall be conclusive in favor of the Trustee with regard to any action taken by the Trustee under such request or other instrument, if made in the following manner, viz:

(a) the fact and date of the execution by any person of any such request or of any other instrument in writing may be proved by the certificate of any notary public or of any other officer authorized to take acknowledgments of deeds to be recorded in the state or jurisdiction where the acknowledgment may be taken, certifying that the person signing such request or other instrument acknowledged to him the execution thereof, or by the affidavit of a witness to such execution; and

(b) the ownership of Bonds shall be determined by the books of the Trustee. The Trustee may presume the continuance of any such holding unless and until it receives proof satisfactory to it to the contrary.

SECTION 8.06. Nothing in this Trust Deed, express or implied, is intended or shall be construed to confer upon, or to give to, any person, firm or corporation other than the parties hereto and the holders of the Bonds, any right, remedy or claim under or by reason of this Trust Deed, or any term, covenant or condition hereof, and all of the terms, covenants, conditions, promises and

agreements herein contained shall be for the sole and exclusive benefit of the parties hereto and their successors and of the holders of the Bonds.

SECTION 8.07. This Trust Deed may be simultaneously executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument.

SECTION 8.08. The Company, in conformity with the laws of the Province of Quebec, has signed and executed or will sign and execute in notarial form a Trust Deed of Hypothec, Mortgage and Pledge mortgaging, hypothecating, pledging, charging and ceding the Mortgaged Equipment and Mortgaged Leaseholds to the Trustee, such Trust Deed of Hypothec, Mortgage and Pledge being substantially in the tenor and of the same effect as this Trust Deed; the said Trust Deed of Hypothec, Mortgage and Pledge and this Trust Deed are to be read as one instrument.

SECTION 8.09. This Trust Deed shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the Company and the Trustee, pursuant to due corporate authority, have caused this Trust Deed to be signed in their respective corporate names by their respective officers thereunto duly authorized, and their respective corporate seals to be hereunto affixed, as of the day and year first above written.

NORTH AMERICAN CAR (CANADA) LIMITED

By

Vice President

By

Assistant Secretary

(CORPORATE SEAL)

MONTREAL TRUST COMPANY

Trustee

By

Senior Corporate Trust Officer

By

Corporate Trust Consultant

(CORPORATE SEAL)

FIRST SCHEDULE

Referred to in the annexed Deed of Trust and Mortgage dated as of February 1, 1972 between North American Car (Canada) Limited and Montreal Trust Company.

MORTGAGED EQUIPMENT

<u>No. of Cars</u>	<u>Type</u>	<u>Car Number</u>	<u>Lessee</u>	<u>Lease Term</u>	<u>Borrowable Value</u>
6	Tank, NCTX	24,051 to 24,056, both inclusive	Hiram Walker Ltd.	15 years	\$ 277,130.85
21	Hopper, NCHX	43,023, 43,028 to 43,047 both inclusive	Union Carbide Canada	15 years	420,155.85
4	Hopper, NCHX	43,024 to 43,027, both inclusive	Not leased	Temporary	80,029.69
21	Hopper, NCHX 1)	43,048; 381,000 to 381,019, both inclusive	Canadian National	15 years	419,269.28
3	Hopper, NCHX 2)	43,049, 43,051 and 43,052	DuPont Canada	Temporary	61,536.57
1	Hopper, NCHX 3)	43,050	Canadian Indust. Ltd.	Temporary	20,512.19
<u>56</u>					<u>\$1,278,634.43</u>

Running numbers and serial numbers are the same except where noted.

1) Serial numbers: 70,341, 70,321 to 70,340, both inclusive

2) Serial numbers: 70,342, 70,344 and 70,345

3) Serial number: 70,343

SECOND SCHEDULE

Referred to in the annexed Deed of Trust and Mortgage dated as of February 1, 1972 between North American Car (Canada) Limited and Montreal Trust Company.

LEASEHOLD EQUIPMENT

<u>No. of Cars</u>	<u>Type</u>	<u>Car Number</u>	<u>Lessee</u>	<u>Lease Term</u>	<u>Borrowable Value</u>
12	Hopper, NAHX	48,706 to 48,712, both inclusive; 48,714, 48,715, 48,717, 48,718 and 48,719	Canadian National	Temporary	\$ 206,093.76
2	All Door, LUNX	4467 and 4469	Test Service	Temporary	49,071.34
17	Hopper, NAHX	49,100 to 49,116, both inclusive	Canadian National	6/73	265,967.04
9	Hopper, NAHX	49,307, 49,325, 49,342, 49,252, 49,253, 49,254, 49,263, 49,271 and 49,297	Sylvite of Canada	Temporary	148,950.00
1	Tank, NATX	23,715	Shell Canada	Temporary	16,126.90
5	Tank, NATX	23,777, 23,778, 23,779, 23,788 and 23,789	Irving Oil	Temporary	105,677.25
1	Tank, NATX	23,882	Shell Canada	Temporary	16,135.28
2	Tank, NATX	23,883 and 23,884	Irving Oil	Temporary	31,882.56
1	Tank, NATX	23,885	Canadian Starch	Temporary	16,391.85
1	Tank, NATX	23,897	Sun Oil	Temporary	17,138.25
1	Tank, NATX	23,797	Irving Oil	Temporary	20,941.75
3	Tank, NATX	23,697, 23,698 and 23,699	Shell Canada	Temporary	48,679.86
6	Tank, NATX	34,873, 34,875, 34,877, 34,883, 34,886 and 34,888	Dome Petroleum	5 years	130,284.81
8	Tank, NATX	34,958, 34,959, 34,983 to 34,988, both inclusive	Hydrogas	5 years	169,602.27
35	Tank, NATX	34,891 to 34,896 both inclusive; 34,937 to 34,942, both inclusive; 34,945, 34,947, 34,948, 34,949 to 34,954, both inclusive; 34,956, 34,967, 34,969, 34,970, 34,973 to 34,982	Pacific Petroleum	5 years	603,155.35
					<u>\$1,846,098.27</u>

CANADA
 PROVINCE OF QUEBEC
 DISTRICT OF MONTREAL

IN THE MATTER OF The Corporation
 Securities Registration Act (Ontario);

IN THE MATTER OF The Corporation
 Securities Registration Act
 (Saskatchewan);

IN THE MATTER OF the Corporation
 Securities Registration Act (Nova Scotia);

IN THE MATTER OF the Corporation
 Securities Registration Act (New Brun-
 swick);

TO WIT:

AND IN THE MATTER OF registration
 under the said Acts of an Indenture dated
 as of the 1st day of February, 1972 and
 made between North American Car (Can-
 ada) Limited and Montreal Trust Com-
 pany, as Trustee, for the purpose of secur-
 ing 8% Demand Equipment Bonds, First
 1972 Series of North American Car (Can-
 ada) Limited.

I, Robert A. Greenbury, of the City of Montreal, in the Province of Quebec,
 MAKE OATH AND SAY THAT:

1. I am an officer holding the office of Vice President of North American Car
 (Canada) Limited, the mortgagor or assignor named in the annexed instrument
 containing a mortgage charge or assignment made by the said North American
 Car (Canada) Limited to Montreal Trust Company, and am aware of the cir-
 cumstances connected with the transaction and have a personal knowledge of
 the facts herein deposed to.

2. The said instrument was executed by North American Car (Canada)
 Limited at the City of Montreal, in the Province of Quebec, on the day
 of March, 1972.

SWORN before me at the City of
 Montreal in the Province of
 Quebec, This day of March,
 1972.

, *Notary*

A Notary for the Province of
 Quebec.

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

IN THE MATTER OF The Corporation Securities Registration Act (Ontario);

IN THE MATTER OF The Corporation Securities Registration Act (Saskatchewan);

IN THE MATTER OF The Corporations Securities Registration Act (Nova Scotia);

IN THE MATTER OF The Corporation Securities Registration Act (New Brunswick);

TO WIT:

AND IN THE MATTER OF registration under the said Acts of an Indenture dated as of the 1st day of February, 1972 and made between North American Car (Canada) Limited and Montreal Trust Company, as Trustee, for the purpose of securing 8% Demand Equipment Bonds, First 1972 Series, of North American Car (Canada) Limited.

I, _____, of the City of La Salle, in the Province of Quebec, MAKE OATH AND SAY THAT:

1. I am an officer, Corporate Trusts Division of Montreal Trust Company, the mortgagee, trustee or grantee named in the annexed indenture made by North American Car (Canada) Limited to the said Montreal Trust Company, and am aware of the circumstances connected with the transaction and have a personal knowledge of the facts herein deposed to.

2. The said indenture being the instrument containing the mortgage charge or assignment was executed in good faith and for the purpose of securing payment of the 8% Demand Equipment Bonds, First 1972 Series, referred to therein and not for the mere purpose of protecting the chattels or book debts therein mentioned against the creditors of the mortgagor or assignor or preventing such creditors from obtaining payment of any claim against the mortgagor or assignor.

SWORN before me at the City of Montreal in the Province of Quebec, This _____ day of March, 1972.

_____, *Notary*
A Notary for the Province of Quebec.