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INTERSTATE COMMERCE COMMISSION

**NORTH AMERICAN CAR (CANADA) LIMITED**

and

**MONTREAL TRUST COMPANY**

Trustee

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**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 respresented 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 holder's 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 revert 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 *Thomas A. Georgian*  
Vice President

By *Kenneth J. Pelton*  
Assistant Secretary

(CORPORATE SEAL)

MONTREAL TRUST COMPANY

Trustee

By *[Signature]*

Senior Corporate Trust Officer  
MANAGER, CORPORATE TRUST DEPARTMENT

By *[Signature]*  
Corporate Trust Consultant

(CORPORATE SEAL)

MANAGER,  
CORPORATE TRUST DEPARTMENT

## 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.

- NOTE
- 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

See next page

## 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>

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK

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 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.

USA I, Thomas F. Grojean, of the City of Chicago, State of Illinois  
MAKE OATH AND SAY THAT:

1. I am an officer holding the office of 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 circumstances 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 Chicago, State of Illinois, on the 27th day of March, 1972.

SWORN before me at the City of Chicago, County of Cook, State of Illinois  
USA This 27th day of March, 1972.

*Thomas J. Kelly*  
Thomas J. Kelly, Notary Public  
A Notary Public for the County of Cook, State of Illinois

*Thomas F. Grojean*  
Thomas F. Grojean

My commission expires:  
4/11/1976

CANADA  
PROVINCE OF ONTARIO  
JUDICIAL DISTRICT OF YORK

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  
Brunswick);

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 Company,  
as Trustee, for the purpose of securing  
8% Demand Equipment Bonds, First 1972  
Series, of North American Car (Can-  
ada) Limited.

I, \_\_\_\_\_ of the City of \_\_\_\_\_, in the Province  
of Ontario, 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 in-  
denture 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 *Toronto* in the Province  
of Ontario, this 30th day of  
March, 1972.

\_\_\_\_\_, Notary  
A Notary for the Province of  
Ontario.

## 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.

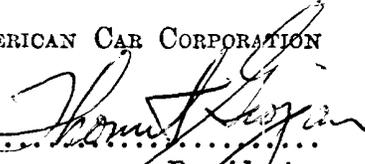
10. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered at or mailed by registered mail to (a) in the case of the Assignor, 77 South Wacker Drive, Chicago, Illinois 60606, Attention of the Secretary, or such other address 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 CAR CORPORATION

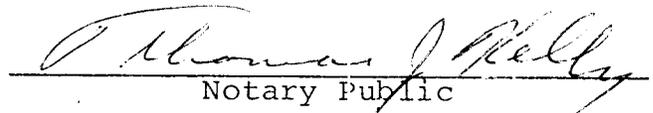
By   
President

Attest:

  
Secretary

STATE OF ILLINOIS        )  
                                  )SS  
COUNTY OF COOK         )

On this *7<sup>th</sup>* day of April, 1972, before me personally appeared Thomas F. Grojean, to me personally known, who, being by me duly sworn, says that he is a President 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.

  
Notary Public

My Commission Expires

*4/10/76*

100  
get extra copy of  
also attach to  
Rec'd Trust  
This not  
intended as  
payment filing

2577  
RECORDATION NO. \_\_\_\_\_ Filed & Recorded  
APR 9 1972 - 2 24 PM  
INTERSTATE COMMERCE COMMISSION

## 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 *Howard G. Geyman*  
.....  
President

Attest:

*Kenneth D. Silman*  
.....  
Secretary

STATE OF ILLINOIS        )  
                                  )SS  
COUNTY OF COOK         )

On this            day of April, 1972, before me personally appeared        Thomas F. Grojean       , to me personally known, who, being by me duly sworn, says that he is a    President        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.

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Notary Public

My Commission Expires

CERTIFICATE

The undersigned, being duly appointed officers of General Electric Credit Corporation, a <sup>New York</sup> ~~Delaware~~ corporation ("GECC"), and North American Car Corporation, a Delaware corporation ("NACC"), do hereby certify that the transactions contemplated by the Asset Purchase Agreement, dated the 14th day of February, 1986, as amended, entered into by and among GECC and NACC and certain of its subsidiaries and approved pursuant to orders of the United States Bankruptcy Court for the Central District of California in Case No. LA 84-23401-BR through LA 84-23417-BR authorizing such sale were consummated on July 3, 1986. Pursuant to the orders of the Bankruptcy Court, NACC and its subsidiaries sold each and every railcar owned by them to GECC free and clear of any and all claims, encumbrances, rights and security interests, including the security interests filed with the Interstate Commerce Commission under the recordation numbers listed on Exhibit A attached hereto.

IN WITNESS WHEREOF, the undersigned have caused this Certificate to be executed as of this 3rd day of July, 1986.

ATTEST:

By [Signature]  
 ITS ASSISTANT SECRETARY

GENERAL ELECTRIC CREDIT CORPORATION,  
 a ~~Delaware~~ Corporation  
 NEW YORK

By [Signature]  
 Its DESIGNATED REPRESENTATIVE

ATTEST:

By [Signature]

NORTH AMERICAN CAR CORPORATION, a  
 Delaware Corporation

By [Signature]  
 Its PRESIDENT