6617-a

SEP 14 - 05

ASSIGNMENT OF LEASE

WHEREAS, UNITED STATES RAILWAY EQUIPMENT CO., a corporation of the State of Illinois (hereinafter referred to as "United"), and Lehigh Valley Railroad Company, a corporation of the State of Pennsylvania (hereinafter referred to as "Lessee"), have entered into a lease (herein called the "Lease") dated February 7, 1972 providing for the lease by United to the Lessee of 100 - 55 ton capacity cars, therein described (hereinafter referred to as the "Cars"); and

WHEREAS, the lease was recorded pursuant to the provisions of Section 20 (c) of the Interstate Commerce Act, as amended, on April 28, 1972, and was assigned recordation number 6617.

WHEREAS, CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO (hereinafter referred to as "Trustee"), a national banking association, with offices at 231 South LaSalle Street, Chicago, Illinois, has agreed to act as Trustee under a certain Agreement and Indenture (Security Agreement) dated as of May 1, 1972* (herein called the "Indenture") securing the loan of certain moneys to United evidenced by United's notes, and United has agreed to assign all of its right, title and interest in and to the Lease to the Trustee as additional security for the notes under the Indenture.

NOW, THEREFORE, for value received and upon the terms and conditions hereinafter set forth:

1. United does hereby sell, assign, transfer and set over to the Trustee all of the right, title and interest of United in and to the Lease and rentals and all other amounts payable by the Lessee or any other person, firm or corporation with respect to the Cars or under the Lease, except that any amount so payable shall continue to be paid to and received by United until and unless Trustee or United or Investor (whose notice shall be limited to the exercise of its rights hereinafter referred to) shall notify the Lessee or any successor to its interest that an Event of Default has occurred under the terms and provisions

* as amended by First Supplemental Indenture dated as of September 1, 1972.

of the Indenture or that Investor or the Holders of 66⅔% in principal amount of United's notes is or are exercising its or their rights under Section 4.1F of the Indenture and that payments are thereafter to be made to the Trustee; and in furtherance of this Assignment and transfer, United does hereby authorize and empower the Trustee, in the event of notice of a default or that Investor or the Holders of 66⅔% in principal amount of United's notes is or are exercising its or their rights under Section 4.1F of the Indenture as aforesaid, in its own name to sue for, collect, receive and enforce all payments to be made by the Lessee under and in compliance on the part of the Lessee with the terms and provisions of the Lease, to exercise all of the rights of United under any of the provisions of the Lease, and in its discretion to take any action under the Lease or with respect to the Cars as United could have taken thereunder if it had not assigned and transferred its rights therein, provided that nothing herein shall obligate the Trustee to take any action under the Lease or in respect of the Cars.

In the event that pursuant to Section 4.1F of the Indenture the Lessee is directed to pay and the Trustee is directed to receive the rentals, proceeds and other sums payable to the Company under or pursuant to the provisions of the Lease (hereinafter called "Rentals"), Trustee will accept payment of the Rentals made to it by the Lessee pursuant to the Lease and this Assignment and will apply the Rentals as follows: *first,* to or toward the payment of all amounts due and payable under the Indenture at the time of the receipt of such Rentals, and the Trustee shall credit such Rentals so applied to the amounts then due and payable by the Company under the Indenture; and, *second,* so long as, to the actual knowledge of the Trustee, the Company is not in default under any provision of the Indenture, any balance of Rentals remaining shall be paid over to the Company by the Trustee; *provided,* however, that so long as, to the actual knowledge of the Trustee, the Company shall be in default under any provision of the Indenture, the Trustee shall not pay over any of the Rentals to the Company, but shall, during the continuance of such default, apply all Rentals received by the Trustee to the payment of all sums then and thereafter due and payable under the Indenture.

2. United warrants and covenants (a) that on the date hereof title to the Cars is vested in United; that it has good and lawful right to sell and assign the same as provided in the Indenture and herein and that its right and title thereto is free from all liens and encumbrances; subject, however, in each case to the rights of the Lessee under the Lease and to the rights of the assignee hereunder, (b) that United has not executed any other assignment of the Lease or of its right to receive all payments under the Lease, and the Lease will continue to be free and clear of any and all claims, liens, agreements, security interests or other encumbrances (except this Assignment and except to the extent United is contesting the validity of the same in good faith and by appropriate proceedings), and (c) that notwithstanding this Assignment, it will perform and comply with each and all of the covenants and conditions in the Lease set forth to be complied with by United. United will cause notice of this Assignment forthwith to be given to the Lessee (together with a copy of this Assignment).

3. United represents and warrants that the Lease and this Assignment have each been duly authorized and executed by it and the Lease and this Assignment are and will remain the valid and binding obligations of United in accordance with their terms, and United covenants that it will, from time to time, at the request of the Trustee, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as the Trustee may reasonably request to give effect to the provisions hereof and to confirm the right, title and interest hereby assigned and transferred to the Trustee or intended so to be.

4. Pursuant to the terms of the Indenture, United cannot without the prior consent of the Trustee:

(a) declare a default under, or terminate, modify or accept a surrender of, or offer or agree to any termination, modification or surrender of, the Lease (except as otherwise expressly provided in the Indenture) or by affirmative act consent to the creation or existence of any security interest or other lien to secure the payment of indebtedness upon the leasehold estate created by the Lease; or

(b) receive or collect or permit the receipt or collection of any rental payment under the Lease prior to the date for payment

thereof provided for by the Lease or assign, transfer or hypothecate (other than to the Trustee under the Indenture) any rent payment then due or to accrue in the future under the Lease in respect of the cars; or

(c) sell, mortgage, transfer, assign or hypothecate (other than to the Trustee under the Indenture) its interest in the cars or any part thereof or in any amount to be received by it from the use or disposition of the cars.

In witness whereof, United has caused this instrument to be executed by its proper officers thereunto duly authorized and its corporate seal to be hereunto affixed, as of the 1st day of May, 1972.

United States Railway Equipment Co.

by: .....
Vice President

[Corporate Seal]

Attest:

.....
Secretary

Accepted:

Continental Illinois National Bank
and Trust Company of Chicago,
as Trustee as aforesaid

by: .....
Second Vice President

[Corporate Seal]

Attest:

.....
Trust Officer

STATE OF ILLINOIS }
COUNTY OF COOK } SS

On this 13th day of September, 1972 personally appeared ..... V. L. BEDINGFIELD .... and ... J. C. MULL, JR. ....., to me personally known, who being by me sworn, did say that they are, respectively, a ..SECOND..... Vice President and Trust Officer of the CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association, that the seal affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

....J. J. Powell... J. J. POWELL
Notary Public

My commission expires: April 26, 1976

STATE OF ILLINOIS }
COUNTY OF COOK } SS

On this 12th day of September, 1972 before me personally appeared ...John England... and ...Paul R. Lech..., to me personally known, who being by me duly sworn, say that they are, respectively, the .Vice President and ..... Secretary of UNITED STATES RAILWAY EQUIPMENT Co., an Illinois corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

.....Toni Mason.....
Notary Public

My commission expires: February 2, 1976