

LEASENo. 4 of 14

LEASE, dated as of March 10, 1975, between NORTH WESTERN LEASING COMPANY, a Delaware corporation (hereinafter called the "Lessor" or the "Owner") and CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY, a Delaware corporation (hereinafter called the "Lessee" or the "Railroad").

WHEREAS, CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO (hereinafter called the "Bank"), the Lessor and the Lessee have entered into an Agreement dated as of January 1, 1975 (hereinafter called the "Bank Agreement"), pursuant to which the Bank, among other things, agreed to make loans to the Lessor and to enter into security agreements evidencing and securing such loans; and

WHEREAS, the Lessor and the Bank have entered into a security agreement dated as of the date hereof (hereinafter called the "Security Agreement") evidencing a loan made or to be made by the Bank to the Lessor pursuant to the Bank Agreement and granting to the Bank a security interest in the equipment described in Schedule A hereto (hereinafter called the "Equipment"); and

WHEREAS, the Lessee desires to lease from the Lessor all the units of the Equipment, at the rentals and for the term and upon the conditions hereinafter provided;

NOW, THEREFORE, in consideration of the recitals hereto and of the rentals to be paid and the covenants hereinafter mentioned to be kept and performed by the Lessee, the Lessor hereby leases the Equipment to the Lessee upon the following terms and conditions, but subject and subordinate to all the rights and remedies of the Bank under the Security Agreement:

1. Delivery and Acceptance. The Lessor will cause each unit of the Equipment to be delivered to the Lessee under this Lease (hereinafter call this "Lease" or this "Agreement") with freight charges prepaid, at such place or places and at such time or times as the Lessee shall designate. On delivery of each unit of the Equipment hereunder the Lessee will assume with respect thereto the responsibilities and risk of loss.

2. Rentals. The Lessee agrees to pay to the Lessor as rental for the units of the Equipment subject to this Lease rentals in an amount (for each rental payment) equal to one hundred and ten per cent (110%) of the amount payable by the Lessor to the Bank on each payment date under subparagraphs (a) and (b) of the first paragraph of the Security Agreement (a copy of which subparagraphs is attached hereto as Schedule B), and

RECORDATION NO. 7866 Filed & Recorded

MAR 19 1975 - 11 15 AM

ILLINOIS COMMERCE COMMISSION

such rentals shall be payable to the Lessor on such payment dates. For purposes of determining such rental, the amount payable by the Lessor to the Bank under the Security Agreement shall be deemed to be the amount which would have been payable by the Lessor excluding any prepayments other than any made out of funds deposited with the Bank under Section 2 thereof; and the rental hereunder in respect of any unit of the Equipment shall be deemed to be that portion of each rental payment equal to the amount of such payment multiplied by the ratio having for its numerator the Price of such unit (as shown in Schedule A hereto) and for its denominator the aggregate Price of all the units of the Equipment.

The Lessor irrevocably agrees that all payments provided for in this Lease (including those payments required pursuant to Section 4 hereof) shall be paid for the account of the Lessor, care of the Bank, 231 South LaSalle Street, Chicago, Illinois 60690, attention of Loan Division (or to any assignee of the Bank); and, to the extent sufficient therefor and actually paid, shall be applied by the Bank to satisfy the obligations of the Lessor under the Security Agreement, and any excess remaining after each such application shall, unless an Event of Default then exists under the Security Agreement or any Related Agreement (as defined in the Security Agreement), be paid by the Bank promptly to the Lessor in accordance with its instructions.

The Lessee agrees to pay interest at the rate of three-fourths of one per cent ( $3/4$  of 1%) over the higher of the two interest rates referred to in subparagraph (b) of the first paragraph of the Security Agreement on all amounts remaining unpaid after the same shall have become due and payable pursuant to the terms of this Lease.

3. Term; Lease Subject to Security Agreement;  
Lessor's Default. The term of this Lease as to each unit of the Equipment shall begin upon acceptance thereof by the Lessee pursuant to Section 1 hereof and, subject to the provisions of Sections 4 and 14 hereof, and of Section 12 of the Security Agreement, shall terminate on the date on which the final payment of rent in respect thereof is due hereunder. Upon the expiration of the term of this Lease as to any unit of the Equipment, the Lessee will, at its expense, deliver such unit to the Lessor in good order and running condition, normal wear and tear excepted, free of all charges at the point on the line of railroad of the Lessee designated by the Lessor.

All rights and obligations under this Lease and in and to the Equipment are subject to the rights and remedies of the Bank under the Security Agreement. If an Event of Default should occur under the Security Agreement, the Bank may terminate this Lease (or rescind such termination), and take such other action with respect to the Equipment as is provided in the Security Agreement or herein; provided, however,

that if the Lessee is deprived of the use of the Equipment as a result of a default by the Lessor under the Security Agreement and the Lessee is not then in default under this Lease, then all rentals hereunder on the units of Equipment so affected shall abate until the Lessee recovers full control and use of such units. The Lessor shall indemnify and save the Lessee harmless from any and all cost, expense and loss suffered by the Lessee by reason of such default of the Lessor. Subject to the consent of the Bank (which may be evidenced by its execution of the Consent and Agreement which appears below or of any other agreement to that effect satisfactory to the Bank), the Lessee shall have the right to cure such default of the Lessor and all payments made by the Lessee in curing such default shall, if the rentals are not then abated under the terms hereof, be deemed amounts paid as rent hereunder.

4. Lost, Destroyed or Damaged Equipment. In the event that any unit of the Equipment shall be worn out, lost, destroyed or, in the opinion of the Lessee, irreparably damaged or otherwise rendered unsuitable or unfit for use from any cause whatsoever, or shall be requisitioned or taken over by an governmental authority under the power of eminent domain or otherwise (hereinafter called a "Casualty Occurrence") during the term of this Lease, the Lessee shall notify the Lessor within twenty (20) days after it has determined that a unit has suffered a Casualty Occurrence. The Lessee shall, within twenty (20) days of such notification, pay to the Lessor an amount equal to one hundred and thirty per cent (130%) of the amount payable by the Lessor to the Bank in respect of such unit under Section 2 of the Security Agreement, or forty per cent (40%) of the Price of such unit (as shown in Schedule A hereto), whichever is greater, and upon such payment by the Lessee such unit shall be excluded from the term "Equipment" hereunder. The Lessee shall remit to the Lessor the excess, if any, of any damages received by the Lessee for such unit by reason of such Casualty Occurrence, over the amount payable by the Lessee to the Lessor hereunder.

5. Maintenance and Repair. The Lessee will at all times maintain the Equipment in good order and repair at its expense.

6. Compliance with Laws and Rules. During the terms of this Agreement the Lessee will comply in all respects with all applicable laws.

7. Inspections. The Lessor and the Bank shall have the right, by their agents, to inspect the Equipment and the Lessee's records with respect thereto.

8. Possession and Use. The Lessee, so long as it shall not be in default under this Agreement and subject to the provisions of Section 3 hereof, shall be entitled to the possession of the Equipment and the use thereof; and the possession

and use of units of rolling stock shall be upon the lines of railroad owned or operated by the Railroad either alone or jointly with another and whether under lease or otherwise, and upon the lines of railroad owned or operated by any railroad company controlled by or under common control with the Railroad, or over which the Railroad has trackage rights, and also upon connecting and other railroads in the usual interchange of traffic.

9. Prohibition Against Liens. The Lessee will satisfy and discharge any and all sums claimed by any party by, through or under the Lessee or its successors or assigns which, if unpaid, might become a lien or a charge upon the Equipment, or any unit thereof; except that the Lessee shall not be required to pay or discharge any such claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings in any reasonable manner and the nonpayment thereof does not, in the opinion of the Bank, adversely affect the security interest or rights of the Bank in or to the Equipment or otherwise under the Security Agreement. Any amounts paid by the Lessor or the Bank in discharge of liens, charges or security interests upon the Equipment for which the Lessee is responsible hereunder shall be repaid by the Lessee upon demand.

This covenant will not be deemed breached by reason of liens for taxes, assessments or governmental charges or levies, in each case not due and delinquent, or undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or other like liens arising in the ordinary course of business and, in each case, not delinquent.

10. Taxes. All payments to be made by the Lessee hereunder will be free of expense to the Lessee in respect of taxes (other than income taxes, gross receipt taxes, franchise taxes, excess profits taxes and similar taxes), which expense the Lessee assumes and agrees to pay on demand, in addition to the rentals and other amounts payable hereunder.

11. Marking of Equipment. The Lessee will cause each unit of the Equipment to be kept numbered with the Railroad's identifying number as set out in Schedule A hereto, and will cause each side of each such unit to be kept plainly, distinctly, permanently and conspicuously marked with the name of the Bank followed by the words "Secured Party" or other appropriate words designated by the Bank, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the security interest of the Bank to the Equipment and its rights under the Security Agreement. The Lessee will replace promptly any such marking, which may be removed, defaced or destroyed. The Lessee will not change the numbers of

any such units except with the consent of the Lessor and in accordance with a statement of new numbers to be substituted therefor, which statement previously shall have been filed with the Lessor by the Lessee and, if such units are rolling stock, shall promptly be filed and recorded by the Lessee with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act.

Except as above provided, the Lessee will not allow the name of any person, association or corporation to be placed on the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Lessee may cause the Equipment to be lettered "Chicago and North Western," or "C.N.W.," or may label the Equipment with the emblem, trademark, or slogan of the Railroad, or may letter the Equipment with the name or initials of any affiliated railroad company which is permitted to use such Equipment as hereinafter provided, or may letter it in some other appropriate manner for convenience of identification of the interest of the Lessor and the Railroad therein.

12. Lessee's Indemnities. The Lessee agrees to indemnify and save harmless the Lessor from and against all losses, damages, injuries, liabilities, claims and damages whatsoever, regardless of the cause thereof, and expenses in connection therewith, including counsel fees, arising out of retention by the Bank of its security interest in the Equipment or out of the use and operation thereof by the Railroad during the term of this Lease. This covenant of indemnity shall continue in full force and effect notwithstanding the termination or release of the Bank's security interest, or the termination of this Lease in any manner whatsoever.

13. Assignments. The Lessee will not sell, assign, transfer or otherwise dispose of the Equipment or transfer the right to possession of any unit of the Equipment without first obtaining the written consent of the Lessor, which shall not be unreasonably withheld. An assignment or transfer to the Railroad or to a railroad company or other purchaser which shall acquire or lease all or substantially all the lines of railroad of the Railroad and which, by execution of an appropriate instrument satisfactory to the Lessor, shall assume and agree to perform each and all of the obligations and covenants of the Lessee hereunder, or an assignment by the Lessee to one of the Railroad's wholly owned subsidiary companies, shall not be deemed a breach of this covenant, provided that the Lessee (with binding effect upon successors of the Lessee) agrees not to be released as a primary obligor for the payment when due and payable (whether by acceleration or otherwise) of the rentals due hereunder on the date of any such assignment or transfer.

Subject to the rights of the Bank under the Security Agreement and subject to the provisions of Section 2 hereof, all or any of the rights, benefits and advantages of the Lessor under this Agreement, including the right to receive the payments herein provided to be made by the Lessee, may be assigned by the Lessor and reassigned by any assignee at any time or from time to time.

Upon any such assignment either the assignor or the assignee shall give written notice to the Lessee, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all of the Lessor's right and interest in and to the Equipment, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Lessee of the notification of any such assignment, all payments thereafter to be made by the Lessee hereunder shall, to the extent so assigned, be made to the assignee at the address of the assignee specified in the aforesaid notice.

In the event of any such transfer or assignment, or successive transfers or assignments by the Lessor, of its interest in the Equipment and of its rights hereunder in respect thereof, the Lessee will, whenever requested by such transferee or assignee, change the marking on each side of each unit of the Equipment so as to indicate the title of such transferee or assignee to the Equipment, such marking to bear such words or legend as shall be specified by such transferee or assignee, subject to requirements of the laws of the jurisdictions in which the Equipment shall be operated relating to such marking for use on equipment covered by security agreements with respect to railroad equipment. The cost of marking with respect to the first assignee of the Lessor's rights under this Agreement and with respect to any subsequent assignment will be borne by the assignee.

14. Defaults. In the event that any one or more of the following events of default shall occur and be continuing, to-wit:

- (a) The Lessee shall fail to pay in full, when due and payable hereunder, any rental payable by the Lessee as hereinabove provided and such failure shall continue for more than five (5) business days after written notice from the Lessor; or
- (b) The Lessee shall, for more than thirty (30) days after the Lessor shall have demanded in writing performance thereof, fail or refuse to comply with any covenant, agreement, term or provision

of this Agreement on its part to be kept or performed or to make provision satisfactory to the Lessor for such compliance; or

- (c) A proceeding in reorganization, bankruptcy or insolvency is instituted by or against the Lessee or its property and, unless such proceeding is dismissed within sixty (60) days, stayed or otherwise rendered ineffective, the debtor in reorganization or any trustee or receiver appointed therein fails to adopt and become bound by the terms, provisions and conditions of this Agreement within sixty (60) days after such appointment or designation; or the Lessee makes an assignment for the benefit of its creditors; or
- (d) The Lessee shall make or suffer any unauthorized assignment or transfer of the right of possession of any unit of the Equipment;

then at any time after the occurrence of such an event of default the Lessor, at its option may:

- (a) Proceed by appropriate court action or actions, either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof; or
- (b) By notice in writing to the Lessee, terminate this Lease, whereupon all right of the Lessee to the use of the Equipment shall absolutely cease and terminate as though this Lease had never been made, but the Lessee shall remain liable as hereinafter provided; and thereupon, the Lessor may by its agents enter upon the premises of the Lessee or other premises where any of the Equipment may be located and take possession of all or any of such Equipment and thenceforth hold, possess and enjoy the same free from any right of the Lessee, or its successors or assigns, to use the Equipment for any purpose whatever, but the Lessor, shall, nevertheless, have a right to recover from the Lessee any and all amounts which may have accrued to the date of such termination (computing the rental for any number of days less than a full rental period by a fraction of which the numerator is such accrued number of days in such full rental period and the denominator is the total number of days in such full rental period)

and also to recover forthwith from the Lessee (i) as damages for loss of the bargain and not as a penalty, a sum, with respect to each unit of Equipment, which represents the excess of the present worth, at the time of such termination, of all rentals for such unit which would otherwise have accrued hereunder from the date of such termination to the end of the term of this Lease over the then present worth of the then fair rental value of such unit for such period computed by discounting from the end of such term to the date of such termination rentals which the Lessor reasonably estimates to be obtainable for the use of the unit during such period, such present worth to be computed in each case on a basis of a rate of 7-1/2% per annum, compounded quarterly from the respective dates upon which rentals would have been payable hereunder had this Lease not been terminated, and (ii) any damages and expenses including reasonable attorney's fees, in addition thereto which the Lessor shall have sustained by reason of the breach of any covenant or covenants of this Lease, other than for the payment of rental.

15. Remedies. In case the Lessor shall rightfully demand possession of the Equipment in pursuance of this Agreement and shall reasonably designate a point or points upon the lines of railroad of the Lessee for the delivery of the Equipment to the Lessor, the Lessee shall, at its own expense, forthwith and in the usual manner, cause the Equipment to be moved to such point or points as shall be designated by the Lessor and shall there deliver the Equipment or cause it to be delivered to the Lessor; and, at the option of the Lessor, the Lessor may keep the Equipment on any of the lines of railroad or premises of the Lessee until the Lessor shall have leased, sold or otherwise disposed of the same, and for such purpose the Lessee agrees to furnish, without charge to the Lessor for rent or storage, the necessary facilities at any point or points selected by the Lessor reasonably convenient to the Lessee. This agreement to deliver the Equipment and to furnish facilities for its storage as hereinbefore provided is of the essence of the agreement between the parties, and, upon application to any court of equity having jurisdiction in the premises, the Lessor shall be entitled to a decree against the Lessee requiring specific performance hereof.

Each and every power and remedy hereby specifically given to the Lessor shall be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Lessor. All such

powers and remedies shall be cumulative, and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Lessor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder shall impair any such power or remedy or shall be construed to be a waiver of any default or an acquiescence therein.

The Lessee will pay all reasonable expenses, including attorney's fees, incurred by the Lessor in enforcing its remedies under the terms of this Agreement. In the event that the Lessor shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Lessor may recover reasonable expenses, including attorney's fees, and the amount thereof shall be included in such judgment.

In the event of assignments of interest hereunder to more than one assignee, each such assignee shall be entitled to exercise all rights of the Lessor hereunder in respect of the Equipment assigned to such assignee, irrespective of any action or failure to act on the part of any other assignee.

16. Extension Not A Waiver. No delay or omission in the exercise of any power or remedy herein provided or otherwise available to the Lessor shall impair or affect the Lessor's right thereafter to exercise the same. Any extension of time for payment hereunder or other indulgence duly granted to the Lessee shall not otherwise alter or affect the Lessor's rights or the obligations of the Lessee hereunder. The Lessor's acceptance of any payment after it shall have become due hereunder shall not be deemed to alter or affect the obligations of the Lessee or the Lessor's rights hereunder with respect to any subsequent payments or default therein.

17. Applicable State Laws. Any provision of this Agreement prohibited by any applicable law of any State, or which by any applicable law of any State would convert this Agreement into any instrument other than a lease, shall as to such State be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any applicable State law may be waived, they are hereby waived by the Lessee to the full extent permitted by law, to the end that this Agreement shall be deemed to be a lease and enforced as such.

18. Recording. The Lessee will cause this Agreement and any assignments hereof or of any interest herein, and any supplements hereto or thereto to be filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act; and the Lessee will from

time to time do and perform any other act and will execute, acknowledge, deliver, file and record any and all further instruments required by law or reasonably requested by the Lessor for the purpose of proper protection, to the satisfaction of counsel for the Lessor, of its interest in the Equipment and its rights under this Agreement or for the purpose of carrying out the intention of this Agreement; and the Lessee will promptly furnish to the Lessor certificates or other evidences of such filing and recording satisfactory to the Lessor.

19. Payment of Expenses. The Lessee will pay all reasonable costs, charges, and expenses, except the counsel fees of the Lessor and of assignees of this Agreement, and including stamp and other taxes, if any, incident to the printing or other duplicating, execution, acknowledgment, delivery, filing registration or recording of this Agreement, of any instrument supplemental to or amendatory of this Agreement and of any certificate of the payment of the rentals due hereunder.

20. Notice. Any notice hereunder to the Lessee shall be deemed to be properly served if delivered or mailed to the Lessee at 400 West Madison Street, Chicago Illinois 60606, or at such other address as may have been furnished in writing to the Lessor by the Lessee. Any notice hereunder to the Lessor shall be deemed to be properly served if delivered or mailed to the Lessor at 400 West Madison Street, Chicago, Illinois 60606, or at such other address as may have been furnished in writing to the Lessee by the Lessor. Any notice hereunder to any assignee of the Lessor or of the Lessee shall be deemed to be properly served if delivered or mailed to such assignee at such address as may have been furnished in writing to the Lessee or the Lessor, as the case may be, by such assignee.

21. Section Headings. All section headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

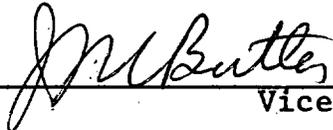
22. Effect and Modification of Agreement. This Agreement exclusively and completely states the rights of the Lessor and the Lessee with respect to the Equipment and supercedes all other agreements, oral or written, with respect to such Equipment. No variation or modification of this Agreement and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Lessor and the Lessee.

23. Execution. This Agreement 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 contract, which shall be sufficiently evidenced by any such original counterpart. Although this Agreement is dated for convenience as of the date first above written, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused these presents to be signed in their respective corporate names by duly authorized officers and their respective corporate seals to be hereunto affixed and duly attested, all as of the day, month and year first above written.

NORTH WESTERN LEASING COMPANY

By   
Vice President

(SEAL)

ATTEST:

  
Assistant Secretary

CHICAGO AND NORTH WESTERN  
TRANSPORTATION COMPANY.

By   
Vice President

(SEAL)

ATTEST:

  
Assistant Secretary

STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

On this 12th day of March, 1975  
before me personally appeared J. M. Butler  
to me personally known, who, being by me duly sworn, says  
that he is the Vice President of NORTH WESTERN LEASING  
COMPANY, that one of the seals affixed to the foregoing  
instrument is the corporate seal of said corporation, that  
said instrument was signed and sealed on behalf of said  
corporation by authority of the Board of Directors and he  
acknowledged that the execution of the foregoing instrument  
was the free act and deed of such corporation.

(NOTARIAL SEAL)

J. M. Butler  
Notary Public

My Commission expires:

May 21, 1978

STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

On this 12th day of March, 1975  
before me personally appeared J. M. Butler  
to me personally known, who, being by me duly sworn, says  
that he is a Vice President of the CHICAGO AND NORTH WESTERN  
TRANSPORTATION COMPANY, that one of the seals affixed to the  
foregoing instrument is the corporate seal of said corporation,  
that said instrument was signed and sealed on behalf of said  
corporation by authority of its Board of Directors and he  
acknowledged that the execution of the foregoing instrument  
was the free act and deed of said corporation.

(NOTARIAL SEAL)

J. M. Butler  
Notary Public

My Commission expires:

May 21, 1978

SCHEDULE A

LEASE  
Dated as of

Page 1 of 7

March 10, 1975

Between  
NORTH WESTERN LEASING COMPANY  
and  
CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY

<u>Quantity</u>	<u>Description</u>	<u>Railroad System No.</u>	<u>Purchase Price</u>
219	Rebuilt Box Cars	CNW 182	\$ 6,592.39
		CNW 258	6,988.84
		CNW 366	7,153.97
		CNW 442	7,120.89
		CNW 583	7,087.95
		CNW 1444	5,822.15
		CNW 1524	5,961.58
		CNW 1525	5,848.47
		CNW 1526	5,916.21
		CNW 1541	5,769.27
		CNW 1627	6,035.16
		CNW 3034	6,914.07
		CNW 3067	6,804.29
		CNW 3078	6,600.53
		CNW 3096	6,914.06
		CNW 3115	6,600.53
		CNW 3147	6,600.53
		CNW 3165	6,600.53
		CNW 3206	6,571.98
		CNW 4579	8,080.34
		CNW 4596	7,100.41
		CNW 4709	7,160.66
		CNW 4731	7,160.66
		CNW 4782	7,190.84
		CNW 6521	6,764.29
		CNW 6969	6,491.25
		CNW 7130	5,296.82
		CNW 7159	6,600.01
		CNW 7308	5,324.97
		CNW 7468	5,403.85
		CNW 7647	6,491.25
		CNW 7688	5,265.01
		CNW 7700	5,353.26
		CNW 7816	5,403.85
		CNW 7864	5,240.25
		CNW 7865	6,572.88
		CNW 7866	5,324.98
		CNW 7899	6,572.88
		CNW 8076	5,353.26

<u>Quantity</u>	<u>Description</u>	<u>Railroad System No.</u>	<u>Purchase Price</u>
	Rebuilt Box Cars	CNW 8152	5,324.97
	(Continued)	CNW 8250	5,403.85
		CNW 8284	5,381.55
		CNW 8320	5,831.52
		CNW 8334	5,324.97
		CNW 8394	5,353.26
		CNW 8418	5,324.97
		CNW 8442	5,340.28
		CNW 8558	5,381.55
		CNW 8579	6,918.38
		CNW 8614	5,568.94
		CNW 8785	6,978.20
		CNW 8824	5,349.15
		CNW 8896	5,381.55
		CNW 9052	5,353.26
		CNW 9182	5,353.26
		CNW 9194	5,381.55
		CNW 9222	5,381.55
		CNW 9226	5,381.55
		CNW 9346	5,409.70
		CNW 9388	5,381.55
		CNW 9487	6,946.94
		CNW 9493	7,007.39
		CNW 9556	5,409.70
		CNW 9591	6,918.33
		CNW 9610	5,397.02
		CNW 9698	5,296.82
		CNW 9742	5,324.97
		CNW 9956	5,409.70
		CNW 10150	5,409.70
		CNW 17304	4,565.81
		CNW 17359	3,414.36
		CNW 17388	3,661.78
		CNW 17395	3,832.71
		CNW 17397	5,004.00
		CNW 22422	6,125.31
		CNW 23010	6,944.16
		CNW 23065	7,027.98
		CNW 23103	7,055.97
		CNW 23146	6,944.14
		CNW 23209	6,944.16
		CNW 23217	7,027.98
		CNW 23415	6,944.16
		CNW 23454	6,944.16
		CNW 23522	6,944.16
		CNW 23538	6,944.16
		CNW 23540	7,055.96

<u>Quantity</u>	<u>Description</u>	<u>Railroad System No.</u>	<u>Purchase Price</u>
	Rebuilt Box Cars	CNW 23616	6,976.05
	(Continued)	CNW 23709	7,087.92
		CNW 23747	7,059.92
		CNW 23755	6,976.05
		CNW 23760	6,976.05
		CNW 23921	6,976.05
		CNW 24036	7,059.90
		CNW 24136	7,132.18
		CNW 24376	6,670.95
		CNW 24421	7,049.34
		CNW 24437	6,670.95
		CNW 24489	6,758.11
		CNW 24718	6,758.11
		CNW 24777	6,670.95
		CNW 24898	6,695.46
		CNW 25072	6,695.46
		CNW 26717	2,108.43
		CNW 38892	5,431.48
		CNW 38906	5,345.36
		CNW 38908	5,442.18
		CNW 38952	5,365.76
		CNW 38972	4,823.39
		CNW 57584	6,495.75
		CNW 57624	7,367.78
		CNW 57646	7,367.75
		CNW 57722	7,367.75
		CNW 57842	9,219.89
		CNW 67780	9,912.80
		CNW 68320	3,469.03
		CNW 84792	4,727.35
		CNW 84890	5,223.31
		CNW 85016	5,061.58
		CNW 85158	3,421.96
		CNW 85580	5,036.19
		CNW 85600	5,446.09
		CNW 85962	5,071.25
		CNW 86770	3,217.12
		CNW 86870	5,251.51
		CNW 86880	5,676.75
		CNW 87226	5,174.74
		CNW 87406	5,155.79
		CNW 87420	5,269.07
		CNW 87644	5,135.49
		CNW 87872	5,160.61
		CNW 88018	5,122.07
		CNW 88202	5,142.57
		CNW 88346	5,109.12
		CNW 90047	6,541.50

<u>Quantity</u>	<u>Description</u>	<u>Railroad System No.</u>	<u>Purchase Price</u>
	Rebuilt Box Cars	CNW 90806	8,655.39
	(Continued)	CNW 90808	8,692.50
		CNW 90809	8,618.11
		CNW 90810	8,580.84
		CNW 90815	8,729.78
		CNW 90819	8,655.39
		CNW 90825	8,618.11
		CNW 90829	8,580.83
		CNW 90834	8,618.10
		CNW 90835	8,655.39
		CNW 90847	8,655.39
		CNW 90857	8,618.11
		CNW 90871	8,767.05
		CNW 90873	8,436.09
		CNW 90874	8,692.50
		CNW 90901	8,488.02
		CNW 90915	8,451.79
		CNW 91001	9,019.76
		CNW 91010	10,973.18
		CNW 91029	10,874.72
		CNW 91039	10,787.76
		CNW 91051	10,536.18
		CNW 91083	7,963.88
		CNW 91116	9,550.45
		CNW 91119	9,468.19
		CNW 91169	9,009.79
		CNW 91172	8,971.33
		CNW 91178	8,932.69
		CNW 105294	2,879.75
		CNW 105312	2,893.82
		CNW 106674	5,115.23
		CNW 107304	5,021.16
		CNW 107308	5,069.58
		CNW 107618	5,150.03
		CNW 107642	4,982.20
		CNW 107824	5,336.18
		CNW 107846	4,954.22
		CNW 108076	5,046.42
		CNW 108260	5,014.05
		CNW 108336	4,998.08
		CNW 108506	4,894.41
		CGW 316	12,330.76
		CGW 319	8,055.97
		CGW 327	12,383.63
		CNW 757	5,742.96
		CGW 911	9,328.59
		CGW 976	9,328.59

<u>Quantity</u>	<u>Description</u>	<u>Railroad System No.</u>	<u>Purchase Price</u>
	Rebuilt Box Cars	CNW 1081	5,742.95
	(Continued)	CNW 1178	5,889.58
		CNW 1184	5,742.95
		CNW 1200	6,086.06
		CGW 5011	5,014.05
		CGW 5140	5,014.05
		CGW 5278	5,123.36
		CGW 5301	5,150.60
		CGW 5342	5,150.60
		CGW 5376	5,150.60
		CGW 5386	5,123.36
		CGW 5415	5,123.36
		CGW 5446	5,949.38
		CGW 5586	5,150.60
		CGW 10005	15,096.70
		CGW 10006	15,096.70
		CGW 10012	15,169.82
		CGW 10018	15,096.70
		CGW 10029	15,169.82
		CGW 10031	15,096.70
		CGW 10039	15,096.70
		CGW 10050	15,169.82
		CGW 10057	15,169.82
		CGW 10206	12,336.97
		CGW 10258	12,336.97
		MSTL 4020	5,969.01
		MSTL 4028	5,906.12
		MSTL 4292	5,901.22
		MSTL 4324	5,950.21
		MSTL 4426	5,926.66
		MSTL 4510	5,921.68
		MSTL 4544	5,831.52
		MSTL 4644	5,950.34
		MSTL 4894	5,904.43
		MSTL 5050	5,921.44
		MSTL 5124	5,992.58
		MSTL 5276	5,921.43
		MSTL 5360	5,989.78
57	Rebuilt Gondolas	CNW 75715	4,598.11
		CNW 92973	4,695.60
		CNW 95003	8,818.76
		CNW 95021	8,951.18
		CNW 95049	8,823.99
		CNW 95058	8,818.46
		CNW 95068	8,818.46
		CNW 95106	8,973.88
		CNW 95119	8,853.63
		CNW 95124	8,853.63
		CNW 95149	8,853.63

<u>Quantity</u>	<u>Description</u>	<u>Railroad System No.</u>	<u>Purchase Price</u>
	Rebuilt Gondolas	CGW 1010	5,272.61
	(Continued)	CGW 1025	5,272.61
		CGW 1044	5,272.61
		CGW 1049	4,958.34
		CGW 1052	5,272.61
		CGW 1061	5,272.61
		CGW 1063	5,272.61
		CGW 1066	5,272.61
		CGW 1067	5,272.61
		CGW 1076	5,272.61
		CGW 1081	5,565.90
		CGW 1085	5,272.61
		CGW 1087	5,272.61
		CGW 1094	5,565.90
		CGW 1098	5,272.61
		CGW 1108	4,958.34
		CGW 1128	4,958.34
		CGW 1140	4,958.34
		CGW 1146	4,958.34
		CGW 1147	4,958.34
		CGW 1164	4,958.34
		CGW 1169	4,958.34
		CGW 1171	4,958.34
		CGW 1184	4,958.34
		CGW 1189	4,958.34
		CGW 1203	4,958.34
		CGW 1208	5,647.13
		CGW 1225	4,958.34
		CGW 1240	4,958.34
		CGW 1259	4,958.34
		CGW 1264	4,958.34
		CGW 1268	4,958.34
		CGW 1271	4,958.34
		CGW 1277	4,958.34
		CGW 1284	4,958.34
		CGW 1285	4,958.34
		CGW 1300	4,958.34
		CGW 1301	4,958.34
		CGW 1303	4,958.34
		CGW 1304	4,958.34
		CGW 1307	4,958.34
		CGW 1308	4,958.34
		CGW 1309	4,958.34
		CGW 1360	14,487.90
		CGW 1401	4,958.34
		CGW 1402	4,958.34

<u>Quantity</u>	<u>Description</u>	<u>Railroad System No.</u>	<u>Purchase Price</u>
7	Rebuilt Hopper Cars	CGW 6004	7,642.35
		CGW 6040	7,642.35
		MSTL 66527	7,192.55
		MSTL 66537	7,225.59
		MSTL 66721	7,192.55
		MSTL 66769	7,170.03
		MSTL 66917	7,192.55
<hr/>			<hr/>
283			\$1,875,014.32

CONSENT AND AGREEMENT

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO (the "Bank") hereby consents and agrees to be bound by the provisions of Section 3 of the foregoing Lease with respect to the right of CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY to cure any default of NORTH WESTERN LEASING COMPANY (the "Lessor") under the Security Agreement between the Lessor and the Bank, dated as of the date of said Lease.

CONTINENTAL ILLINOIS NATIONAL BANK  
AND TRUST COMPANY OF CHICAGO

By   
Vice President

SCHEDULE B

SECURITY AGREEMENT

KNOW ALL MEN BY THESE PRESENTS, that NORTH WESTERN LEASING COMPANY, a Delaware corporation, with its principal office at 400 West Madison Street, Chicago, Illinois 60606 (hereinafter called the "Owner") having borrowed from and being justly indebted to CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a banking corporation organized under the laws of the United States of America, with an office at 231 So. LaSalle Street, Chicago, Illinois 60690 (hereinafter called the "Bank"), in the principal sum of One Million Five Hundred Thousand and no/100 Dollars (\$1,500,000.00) for money loaned the Owner for or in connection with the purchase (and rebuilding or improvement, if any) of certain equipment, HEREBY COVENANTS AND AGREES to repay said principal sum to the Bank, its successors and assigns, with interest, as follows:

- (a) The Owner shall pay said principal sum in forty (40) substantially equal quarterly installments payable on March 15, June 15, September 15, and December 15 of each year commencing March 15, 1976 to and including December 15, 1985 (subject to the privilege of prepayment as hereinafter provided).
- (b) The indebtedness hereunder for the unpaid balance of said principal sum shall bear interest from the date of borrowing (hereinafter called the "Loan Date"), and the Owner shall pay such interest quarterly on March 15, June 15, September 15, and December 15 of each year (such dates being hereinafter called the "Interest Payment Dates") as follows: (i) on the first Interest Payment Date following such Loan Date, interest accrued from and including such Loan Date to but not including such Interest Payment Date at the rate per annum of one hundred and seven per cent (107%) of the Prime Rate (as hereinafter defined) in effect on such Loan Date, on thirty-one thirty-sixths ( $31/36$ ths) of the indebtedness and one hundred and twenty-five per cent (125%) of such Prime Rate on five thirty-sixths ( $5/36$ ths) of such indebtedness; and (ii) on each Interest Payment Date thereafter, interest accrued from and including the preceding Interest Payment Date at the rate per annum for each quarter or fraction thereof of 107% of the Prime Rate in effect on the preceding Interest Payment Date on  $31/36$ ths of the indebtedness and 125% of such Prime Rate on  $5/36$ ths of such indebtedness. The term "Prime Rate" means the rate per annum charged by the Bank for 90 day unsecured commercial loans to large corporate borrowers of the highest credit standing.