CRAVATH, SWAINE & MOORE

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CABLE ADDRESSES
CRAVATH, N.Y.
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CRAVATH, LONDON E.C.2

RECORDATION NO. 10850 Filed 1425
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INTERSTATE COMMERCE COMMISSION

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INTERSTATE COMMERCE COMMISSION

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INTERSTATE COMMERCE COMMISSION

10850 — C
RECORDATION NO. Filed 1425
SEP 28 1979 -2 10 PM
INTERSTATE COMMERCE COMMISSION

September 28, 1979

Illinois Terminal Railroad Company
Lease Financing Dated as of August 20, 1979
10.50% Conditional Sale Indebtedness Due 1994

Dear Mrs. Mergenovich:

Pursuant to 49 U.S.C. § 11303(a) and the Commission's rules and regulations thereunder, I enclose herewith on behalf of Illinois Terminal Railroad Company, for filing and recordation, counterparts of the following documents:

New Number

1(a) Conditional Sale Agreement dated as of August 20, 1979, between First Security State Bank and Pullman Incorporated (Pullman Standard Division).

— A

(b) Agreement and Assignment dated as of August 20, 1979, between Pullman Incorporated (Pullman Standard Division) and First Security Bank of Utah, N.A., as Agent; and

— B

2(a) Lease of Railroad Equipment dated as of August 20, 1979, between Illinois Terminal Railroad Company and First Security State Bank,

— C

(b) Assignment of Lease and Agreement dated as of August 20, 1979, between First Security State Bank and First Security Bank of Utah, N.A., as Agent.

FEE OPERATING DIV.
SEP 28 2 00 PM '79
RECEIVED

Leon Pensky

The names and addresses of the parties to the aforementioned Agreements are as follows:

(1) Assignee-Agent-Vendor:

First Security Bank of Utah, N.A.
79 South Main Street
Salt Lake City, Utah 84111

(2) Vendee-Lessor-Owner-Trustee:

First Security State Bank,
79 South Main Street
Salt Lake City, Utah 84111

(3) Builder-Vendor:

Pullman Incorporated
(Pullman Standard Division)
200 South Michigan Avenue
Chicago, Illinois 60604.

(4) Lessee:

Illinois Terminal Railroad Company
710 North Twelfth Boulevard,
St. Louis, Missouri 63177.

Please file and record the documents referred to in this letter and cross-index them under the names of the Assignee-Agent-Vendor, the Vendee-Lessor-Owner-Trustee, the Builder-Vendor and the Lessee.

The equipment covered by the aforementioned documents consists of the following:

200 50'6" 70-ton Class XM Boxcars, bearing identifying numbers of the Lessee, ITC 8000-8199, both inclusive.

There is also enclosed a check for $100, payable to the Interstate Commerce Commission, representing the fee

for recording the Conditional Sale Agreement and related Agreement and Assignment (together constituting one document) and the Lease of Railroad Equipment and related Assignment of Lease and Agreement (together constituting one document).

Please stamp all counterparts of the enclosed documents with your official recording stamp. You will wish to retain one copy of the instruments for your files. It is requested that the remaining counterparts be delivered to the bearer of this letter.

Very truly yours,

Costa Constantine,
As Agent for Illinois Termainal
Railroad Company

Agatha L. Mergenovich, Esq.,
Secretary,
Interstate Commerce Commission,
Washington, D. C. 20423.

Encls.

TT

[CS&M 5237-009]

ASSIGNMENT OF LEASE

Dated as of August 20, 1979

between

FIRST SECURITY STATE BANK,
not in its individual capacity but solely as Owner-Trustee for
Ingersoll-Rand Financial Corporation,

and

FIRST SECURITY BANK OF UTAH, N.A.,
not in its individual capacity but solely as agent under the
Participation Agreement dated as of the date hereof,

as Agent.

ASSIGNMENT OF LEASE AND AGREEMENT dated as of August 20, 1979, by and between FIRST SECURITY STATE BANK, not in its individual capacity but solely as Trustee (herein after, together with its successors and permitted assigns, called the "Owner-Trustee") under a Trust Agreement dated as of the date hereof with INGERSOLL-RAND FINANCIAL CORPORATION (the "Owner"), and FIRST SECURITY BANK OF UTAH, N.A., not in its individual capacity but solely as agent (the "Agent") for certain institutional investors (the "Investors") under a Participation Agreement dated as of the date hereof with the Owner-Trustee, the Owner, the Investors and ILLINOIS TERMINAL RAILROAD COMPANY (together with its successors and permitted assigns hereinafter called the "Lessee").

The Owner-Trustee is entering into a Conditional Sale Agreement dated as of the date hereof (the "Security Document") with Pullman Incorporated (Pullman Standard Division) (the "Builder"), providing for the sale to the Owner-Trustee of such units of railroad equipment (the "Units") described in the Annex B thereto as are delivered to and accepted by the Owner-Trustee thereunder and the Security Document is being assigned to the Agent by the Builder.

The Owner-Trustee and the Lessee have entered into a Lease of Railroad Equipment dated as of the date hereof (the "Lease"), providing for the leasing by the Owner-Trustee to the Lessee of the Units.

In order to provide security for the obligations of the Owner-Trustee under the Security Document and as an inducement to the Investors to invest in the CSA Indebtedness (as defined in the Security Document), the Owner-Trustee agrees to assign for security purposes its rights in, to and under the Leases to the Agent.

NOW, THEREFORE, in consideration of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. Subject to the provisions of Paragraph 10 hereof, the Owner-Trustee hereby assigns, transfers and sets over unto the Agent, as collateral security for the payment

and performance of the Owner-Trustee's obligations under the Security Document, all the Owner-Trustee's right, title and interest, powers, privileges and other benefits under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Owner-Trustee from the Lessee under or pursuant to the provisions of the Lease whether as rent, casualty payment, indemnity, liquidated damages or otherwise (such moneys being hereinafter called the Payments), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things whatsoever which the Owner-Trustee is or may become entitled to do under the Lease. In furtherance of the foregoing assignment, the Owner-Trustee hereby irrevocably authorizes and empowers the Agent in its own name, or in the name of its nominee, or in the name of the Owner-Trustee or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Owner-Trustee is or may become entitled under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof. Notwithstanding the foregoing, Payments shall not be deemed to include, either before or after an Event of Default shall have occurred and be continuing under the Lease or event of default shall have occurred and be continuing under the Security Document, payments by the Lessee to the Owner-Trustee or the Owner pursuant to § 6, 9 or 23 of the Lease (except to the extent and in the event any of such payments discharges a corresponding obligation of the Lessor to the Vendor under Article 6 or 13 of the CSA) but no payments otherwise excluded from this Assignment pursuant to this sentence may be made to or retained by the Owner-Trustee or the Owner out of the proceeds of the sale or other disposition of the Units unless and until full payment of principal of and interest on the CSA Indebtedness shall have been made.

The Agent agrees to accept for the account of the Owner-Trustee any Payments made by the Lessee pursuant to the Lease. To the extent received, the Agent will apply such Payments in accordance with the provisions of the first paragraph of Paragraph 10 of the Participation Agreement and, so long as no event of default or event which with the lapse of time and/or demand provided for in the Security Document could constitute an event of default thereunder shall have occurred and be continuing, any balance shall be paid to the Owner-Trustee on the same date such Payment is applied to satisfy

such obligations of the Owner-Trustee, by bank wire transfer of immediately available funds to the Owner-Trustee at such address as may be specified to the Agent in writing. If the Agent shall not receive any rental payment under the first paragraph of § 3 of the Lease or any payment of Casualty Values under § 7 of the Lease when due, the Agent shall promptly notify the Owner-Trustee and the Owner by telegraphic communication or by telephone followed by certified mail at the address set forth in the Participation Agreement. Failure to so notify the Owner-Trustee or the Owner shall not affect the rights and remedies of the Agent hereunder or under the Security Document except as expressly provided in paragraphs (a) and (f) of Article 15 thereof.

2. This Assignment is executed only as security for the obligations of the Owner-Trustee under the Security Document and, therefore, the execution and delivery of this Assignment shall not subject the Agent to, or transfer, or pass, or in any way affect or modify the liability of the Owner-Trustee under the Lease, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of the Owner-Trustee under the Lease shall be and remain enforceable by the Lessee, and its successors and assigns, against, and only against, the Owner-Trustee.

3. To protect the security afforded by this Assignment, subject to the provisions of Paragraph 10 hereof, the Owner-Trustee agrees as follows:

(a) The Owner-Trustee will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides are to be performed by the Owner-Trustee; without the written consent of the Agent, the Owner-Trustee will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee which are intended to satisfy the obligations of the Owner-Trustee under the Security Document, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement so amending, modifying or terminating the Lease and the Owner-Trustee agrees that any such amendment, modification or termination thereof without such consent shall be void.

(b) Should the Owner-Trustee fail to make any payment or to do any act which this Assignment requires the Owner-Trustee to make or do, then the Agent, but without obligation so to do, after first making written demand upon the Owner-Trustee and affording the Owner-Trustee a reasonable period of time within which to make such payment or do such act, but without releasing the Owner-Trustee from any obligation hereunder, may make or do the same in such manner and to such extent as the Agent may deem necessary to protect the security provided hereby, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof and the rights or powers of the Agent, and also the right to perform and discharge each and every obligation, covenant and agreement of the Owner-Trustee contained in the Lease; and in exercising any such powers, the Agent may pay necessary costs and expenses, employ counsel and incur and pay reasonable attorneys' fees, and the Owner-Trustee will reimburse the Agent for such costs, expenses and fees; provided, however, that the obligations of the Owner-Trustee to make reimbursements under this Paragraph 3 are subject to the last paragraph of Article 4 of the Security Document.

4. Subject to the provisions of Paragraph 10 hereof, the Owner-Trustee does hereby constitute the Agent the Owner-Trustee's true and lawful attorney, irrevocably, with full power (in the name of the Owner-Trustee, or otherwise), to ask, require, demand, receive, compound and give acquittance for any and all Payments due and to become due under or arising out of the Lease to which the Owner-Trustee is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which the Agent may deem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all the Owner-Trustee's obligations under the Security Document and Participation Agreement, this Assignment and all rights herein assigned to the Agent shall terminate, and all estate, right, title and interest of the Agent in and to the Lease shall revert to the Owner-Trustee without further act or deed, but the Agent shall execute and deliver such docu-

ments as the Owner-Trustee may reasonably request in order to confirm, or make clear upon public records, such termination and/or reversion.

6. The Owner-Trustee will, from time to time, do and perform any other act and will execute, acknowledge, and deliver any and all further instruments required by law or reasonably requested by the Agent in order to confirm or further assure the interests of the Agent hereunder.

7. The Agent may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Agent hereunder. The Agent will give written notice to the Owner-Trustee and the Lessee of any such assignment.

8. This Assignment shall be governed by the laws of the State of Utah, but the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

9. The Owner-Trustee shall cause copies of all notices received in connection with the Lease and all payments thereunder to be promptly delivered or made to the Agent at its address set forth in Article 20 of the Security Document, or at such other address as the Agent shall designate.

10. The Agent hereby agrees with the Owner-Trustee that (i) so long as no event of default, or any event which with lapse of time or notice or both would constitute such an event of default, under the Security Document has occurred and is then continuing, the Agent will not exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits assigned and transferred by the Owner-Trustee to the Agent by this Assignment, except the right to receive and apply the Payments as provided in Paragraph 1 hereof, and that (ii) subject to the terms of the Lease and the Security Document, the Owner-Trustee may, so long as no event of default or event which with notice or lapse of time or both would constitute such an event of default under the Security Document has occurred and is then continuing, exercise or enforce, or seek to exercise or enforce, its rights, powers, privileges, and remedies arising out of

subparagraph (a) of the first paragraph of § 10 of the Lease; provided, however, the Owner-Trustee shall not, without the prior written consent of the Agent, terminate any Lease or otherwise exercise or enforce, or seek to exercise or enforce, any rights, powers, privileges and remedies arising out of subparagraph (b) of said § 10.

11. No recourse shall be had in respect of any obligation due under this Assignment, or referred to herein, against any incorporator, stockholder, director or officer, as such, past, present or future, of the Owner-Trustee, the Agent, any Investor or the Owner, whether by virtue of any constitutional provision, statute or rule of law or by enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitutional provision, statute or otherwise, of incorporators, stockholders, directors, officers, as such, or beneficiaries being forever released as a condition of and as consideration for the execution of this Assignment.

12. It is agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, undertakings and agreements herein made on the part of the Owner-Trustee are each and every one of them made and intended not as personal representations, undertakings and agreements by the Owner-Trustee, or for the purpose or with the intention of binding the Owner-Trustee personally but are made and intended for the purpose of binding only the Trust Estate (as defined in the Trust Agreement) and this Assignment is executed and delivered by the Owner-Trustee solely in the exercise of the powers expressly conferred upon the Owner-Trustee as Owner-Trustee under the Trust Agreement; and that no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Owner-Trustee or the Owner on account of any representation, undertaking or agreement hereunder of the Owner-Trustee, or the Owner, either expressed or implied, except for their respective obligations under the proviso to the last paragraph of Article 12 of the Security Document and subparagraph (a) of the third paragraph of Article 4 of the Security Document; all such personal liability, if any, being expressly waived and released by the Agent and by all persons claiming by, through or under the Agent; provided, however, that the Agent or any person claiming by, through or under the Agent, making claim hereunder, may look to said Trust Estate for satisfac-

tion of the same.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names, by officers thereunto duly authorized, and their respective corporate seals to be affixed and duly attested, all as of the date first above written.

FIRST SECURITY STATE BANK,
not in its individual capacity,
but solely as Owner-Trustee,

by Sandra O Powell
Authorized Officer

[CORPORATE SEAL]

Attest:
Authorized Officer

FIRST SECURITY BANK OF UTAH, N.A.,
not in its individual capacity,
but solely as Agent,

by
Authorized Officer

[SEAL]

Attest:
Authorized Officer

STATE OF UTAH,)
) ss.:
COUNTY OF SALT LAKE,)

On this 27 day of September 1979, before me personally appeared SANDRA P. POWELL, to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY STATE BANK, 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.

Verna L DeCora
Notary Public

My Commission Expires November 15, 1981

[NOTARIAL SEAL]

My Commission Expires

STATE OF UTAH,)
) ss.:
COUNTY OF SALT LAKE,)

On this 27 day of September 1979, before me personally appeared FUCHIA B. EICHERS, to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY BANK OF UTAH, N.A., that one of the seals affixed to the foregoing instrument is the seal of said national banking association and that said instrument was signed and sealed on behalf of said national banking association by authority of its By-laws and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national banking association.

Verna L DeCora
Notary Public

My Commission Expires November 15, 1981

[NOTARIAL SEAL]

My Commission Expires

CONSENT AND AGREEMENT

The undersigned, ILLINOIS TERMINAL RAILROAD COMPANY (the "Lessee"), the Lessee named in the Lease (hereinafter called the Lease) referred to in the foregoing Assignment of Lease (the "Lease Assignment"), hereby acknowledges receipt of a copy of the Lease Assignment, consents to all the terms and conditions of the Lease Assignment and agrees:

(1) subject to the terms and conditions of the Lease Assignment, to pay all rentals, casualty payments, liquidated damages, indemnities and other moneys provided for in the Lease and assigned to the Agent by the Lease Assignment (which moneys are hereinafter called the "Payments") due and to become due to First Security State Bank, not in its individual capacity, but solely as Owner-Trustee for Ingersoll-Rand Financial Corporation (the "Owner-Trustee") under the Lease in respect of the Units leased thereunder, directly to the First Security Bank of Utah, N.A., as agent (the "Agent") under the Participation Agreement referred to in the Assignment, to be applied as provided in the first paragraph of Paragraph 10 of the Participation Agreement, to its address at 79 South Main Street (Suite 310), Salt Lake City, Utah 84111, attention of Trust Division, Corporate Trust Department (or to such other address as may be furnished in writing to the undersigned by the Agent);

(2) subject to the terms and conditions of the Lease Assignment, that the Agent shall be entitled to the benefits of, and to receive and enforce performance of, all of the covenants to be performed by the undersigned under the Lease as though the Agent were named therein as the Owner-Trustee;

(3) that the Agent shall not, by virtue of the Lease Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise;

(4) that the Lease shall not, without the prior written consent of the Agent, be amended, terminated or modified, or any action be taken or omitted by the undersigned, the taking or omission of which might result in any alteration or impairment of the obligations of the undersigned under the Lease which are intended to

satisfy the obligations of the Owner-Trustee under the Security Document, the obligations of the Owner-Trustee under the Lease Assignment or the obligations of the undersigned under this Consent and Agreement or of any of the rights created by any thereof; and

(5) that it will (i) execute, deliver and/or furnish all notices, certificates, communications, instruments, agreements, legal opinions and other documents and papers required to be executed, delivered and/or furnished by it (or its counsel) pursuant to the provisions of the Security Document and (ii) do all such acts and execute and deliver all such further assurances required to be done and/or executed and delivered by it pursuant to the provisions of any thereof.

This Consent and Agreement, when accepted by the Agent by signing the acceptance at the foot hereof, shall be deemed to be a contract under the laws of the State of Missouri and, for all purposes, shall be construed in accordance with the laws of said State.

Dated as of August 20, 1979

ILLINOIS TERMINAL RAILROAD COMPANY,

by L. B. Rudloff
Vice President

[CORPORATE SEAL]

Attest:
Steven F. Anthony
Secretary

Accepted:

FIRST SECURITY BANK OF UTAH, N.A., not in its individual capacity, but solely as agent under the Participation Agreement referred to above,

[SEAL]

Attest:
Authorized Officer

by
Authorized Officer