

TABLE OF CONTENTS

<u>§</u>	<u>Page</u>
1. Purchase and Sale	1
2. Delivery	1
3. Purchase Price and Payment	2
4. Title to the Equipment: Assignment of Lease	4
5. Casualty Occurrences	5
6. Maintenance and Repairs	6
7. Reports and Inspections	7
8. Identification Marks	7
9. Taxes	8
10. Compliance with Laws and Rules	8
11. Possession and Use	9
12. Prohibition Against Liens	10
13. Indemnification	10
14. Patent Indemnities	11
15. Assignments	11
16. Events of Default	14
17. Remedies	15
18. Representations and Warranties	19
19. Extension Not a Waiver	21
20. Modification of Agreement	21
21. Section Headings and Certain References	21
22. Certain Applicable Laws	22

<u>§</u>		<u>Page</u>
23.	Notices	23
24.	Governing Law	23
25.	Survival of Covenants	23
26.	Successors and Assigns	23
27.	Execution in Counterparts	23
28.	Recording	23

Annex A - Equipment Schedule

Annex B - Casualty Values

CONDITIONAL SALE AGREEMENT dated as of July 17, 1972 among INTERET EQUIPMENT COMPANY (the "Vendor"), a Delaware corporation, UNILEASE LTD. (the "Company"), a Delaware corporation, and ELGIN, JOLIET and EASTERN RAILWAY COMPANY (the "Lessee"), an Illinois and Indiana corporation.

WHEREAS, the Vendor has agreed to sell and deliver to the Company and the Company has agreed to purchase, all of the railroad equipment described in Annex A hereto (the "Equipment"), upon the terms and conditions hereinafter provided;

WHEREAS, the Company is executing a lease of the Equipment (the "Lease") as of the date hereof to the Lessee, which has joined in this Agreement for the purpose of making certain agreements as hereinafter set forth;

WHEREAS, as security for the obligations of the Company to the Vendor under this Agreement, the Company will assign its rights, title and interests in, to and under the Lease to the Vendor pursuant to a Lease Assignment (the "Lease Assignment");

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

§1. PURCHASE AND SALE. Pursuant to this Agreement, the Vendor agrees to sell, and the Company agrees to purchase and accept delivery of and pay for all units of the Equipment caused to be tendered by the Vendor hereunder, upon all the terms and conditions hereinafter set forth.

§2. DELIVERY. The Vendor will cause each unit of Equipment to be tendered to the Company at the point or points within the United States of America at which such units of the Equipment are delivered to the Vendor pursuant to the Lessee's Purchase Order No. 72-1998-18 to Berwick Forge and Fabricating Division, Whittaker Corporation, the Lessee's Purchase Order No. 72-2849-18 to ACF Industries, Inc., the Lessee's Purchase Order No. 72-3509-18 to Greenville Steel Car Company, and the Lessee's Purchase Order No. 71-4057-80 to General Motors Corporation (Electromotive Division), all as subsequently revised, (whichever is applicable), the Assignment of said Purchase Orders to the Vendor and the Consents of the respective manufacturers (the "Manufacturers") to the assignment thereof (said Purchase Orders, Assignments and Consents being hereinafter collectively called the "Manufacturing Agreements").

All units of the Equipment shall be subject to inspection, prior to delivery to and acceptance by the Company, by an authorized representative of the Company (who may be an employee of the Lessee). Prior to delivery of each unit of the Equipment, such representative shall execute and deliver to the Vendor a certificate of acceptance stating that such unit has been inspected and accepted on behalf of the Company, conforms to Department of Transportation requirements and is marked in accordance with the provisions of §8 hereof; provided, however, that the delivery by the Lessee or its authorized representative to the Vendor of a Certificate of Acceptance called for by §1 of the Lease with respect to such unit (hereinafter called a "Certificate of Acceptance") shall be deemed to fully satisfy the foregoing requirement.

Any unit of the Equipment not delivered to and accepted by the Company or its authorized representative on or before March 31, 1973, shall be excluded from this Agreement, shall not be purchased by the Company hereunder, and shall not be included in the term "Equipment".

§3. PURCHASE PRICE AND PAYMENT. The Vendor shall sell, and the Company shall buy, each unit of the Equipment at a price equal to one hundred four percent (104%) of the applicable Manufacturer's invoice price for such unit (such price hereinafter called the "Purchase Price" of such unit).

Settlement for units of the Equipment shall be held on such dates as shall be mutually agreed upon by the Lessee and the Vendor (each such date being herein called a "Closing Date"). Notice of each Closing Date so fixed shall be given to the Company as soon as practicable prior thereto, and such notice shall describe the units then to be settled for (such notice also to be accompanied by copies of the Manufacturer's invoices and Certificates of Acceptance in respect of such units) and the aggregate Purchase Price payable in respect of such units.

The Company hereby acknowledges itself to be indebted to the Vendor in the amount of, and hereby promises to pay to the Vendor (or at the Vendor's direction) at such place as the Vendor may designate, the aggregate Purchase Price of all units of the Equipment, together with interest on the unpaid balance thereof at the rate of 7 3/4% per annum, payable with respect to each unit of the Equipment, as follows:

(a) On the Closing Date with respect to each unit of the Equipment an amount equal to 31% of the Purchase Price with respect to each unit of the 70-ton Coke Hopper cars referred to in Annex A hereto (the "70-ton Coke Hopper Cars") and 30% of the Purchase Price with respect to each of the other units of the Equipment referred to in Annex A hereto; and

(b) interest on an amount equal to 69% of the Purchase Price with respect to each unit of the 70-ton Coke Hopper Cars, and on an amount equal to 70% of the Purchase Price with respect to each of the other units of the Equipment, in either case at the rate of 7 3/4% per annum from the Closing Date to and including December 31, 1972, such interest to be paid on January 1, 1973.

(c) an amount equal to 69% of the Purchase Price of each unit of the 70-ton Coke Hopper Cars, such amount together with interest at the rate of 7 3/4% per annum on the unpaid balance thereof to be paid in 36 consecutive level semi-annual installment payments of principal and interest, and an amount equal to 70% of the Purchase Price of each of the other units of the equipment, such amount together with interest at the rate of 7 3/4% per annum on the unpaid balance thereof to be paid in 30 consecutive level semi-annual installment payments of principal and interest. All such installment payments shall be paid on the first day of January and July in each year, commencing on January 1, 1973.

(d) Anything herein to the contrary notwithstanding, the last installment payment with respect to any unit of the Equipment shall be in an amount sufficient to discharge the accrued interest on and the unpaid principal of the Purchase Price with respect to such unit.

Following each Closing Date, the Vendor will deliver to the Company a schedule of payments reflecting the dates and amounts of the level semi-annual installment payments of principal and interest to be made to the Vendor hereunder (and, in the event of any change in the dates of payment or amount of such level semi-annual installment payments pursuant to any of the provisions of this Agreement, shall deliver a revised schedule of payments to the Company promptly thereafter).

The total amount payable hereunder in respect of all units under the terms of subsections (b) and (c) above shall be called the Conditional Sale Indebtedness.

The Company will pay additional interest at the rate of 9% per annum upon all amounts remaining unpaid after the same shall have become due and payable pursuant to the terms hereof, anything herein to the contrary notwithstanding.

All interest payable under this Agreement shall be determined on the basis of a 360-day year of twelve 30-day months.

All payments in respect of the Conditional Sale Indebtedness and all other payments required hereunder shall be made in such coin and 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. Other than as provided in §5 hereof, the Company shall not have the privilege of pre-paying all or any part of the Conditional Sale Indebtedness prior to the dates it becomes due.

§4. TITLE TO THE EQUIPMENT: ASSIGNMENT OF LEASE. The Vendor shall and hereby does retain the full security title to and property in all units of the Equipment until the Company shall have made all payments required hereunder and shall have kept and performed all its obligations herein contained, notwithstanding the delivery of the Equipment to and the possession and use thereof by the Company or the Lessee as herein provided.

As security for the due performance of all of its obligations hereunder, the Company will assign to the Vendor all of its rights and interests in, to and under the Lease, pursuant to all the terms and conditions set forth in the Lease Assignment. Anything in the Lease Assignment or herein to the contrary notwithstanding, all of the Company's rights under the Lease, including without limitation its rights to receive rental and to exercise its remedies thereunder, and all rights of any person, firm or corporation who claims or who may hereafter claim any rights under the

Lease under or through the Company, are hereby made subject and subordinate to the terms, covenants and conditions of this Agreement and/or any assignment thereof made by the Vendor, its successors and assigns, and to all rights of the Vendor hereunder.

The Vendor hereby agrees that, following such assignment of all of the Company's rights, title and interests under the Lease pursuant to the Lease Assignment, the Company's obligations to the Vendor or its assigns in respect of the Conditional Sale Indebtedness and all other amounts payable by the Company to the Vendor or its assigns shall be satisfied solely out of the rentals payable under the Lease and all other amounts payable by the Lessee to the Company or its assigns, and under no circumstances whatever shall the Company or any of the Company's officers, directors or shareholders be personally liable for any of the foregoing obligations, anything in this Agreement to the contrary notwithstanding.

Except as otherwise specifically provided in §5 hereof, when and only when the Vendor shall have been paid the full amount of the Conditional Sale Indebtedness, together with all other payments required hereunder, and all the Company's obligations herein contained shall have been performed, absolute right to the possession of, title to and property in the Equipment (subject to the rights of the Lessee under the Lease) shall pass to and vest in the Company without further transfer or action on the part of the Vendor, except that the Vendor, if requested by the Company, will execute appropriate instruments confirming such passage of title free of all liens, security interests and other encumbrances created or retained hereby and deliver such instruments to the Company and will execute in the same manner and deliver at the same place, for filing, recording or depositing in all necessary public offices, such instruments as may be necessary or appropriate in order then to make clear upon the public records the title of the Company to the Equipment.

The Company hereby waives and releases any and all rights, existing or that may be acquired, in or to the payment of any penalty, forfeiture or damages for failure to execute and deliver such instruments or to file any certificate of payment in compliance with any law or statute requiring the filing of the same, except for failure to execute and deliver such instruments or to file such certificates within a reasonable time after written demand of the Company.

§5. CASUALTY OCCURRENCES. In the event of the occurrence of any of the Casualty Occurrences defined in §8 of the Lease, prior to the payment in full of the Conditional Sale Indebtedness together with all other payments required hereunder, the Company shall (i) within fourteen (14) days after it shall have received notice thereof, fully inform the Vendor and any assignee thereof with respect thereto; and (ii) on the first day of the calendar quarter following the next succeeding calendar quarter, pay to the Vendor (or as directed by the Vendor) the applicable Casualty Value of the unit or units suffering a Casualty Occurrence, determined as set forth in Annex B hereto; provided, however, that

such payment shall not be required with respect to any unit requisitioned, nationalized, or taken over by any government agency in the event that, following the occurrence of any such event and prior to the date upon which such payment is due, such governmental agency has assumed all of the Company's obligations with respect to such unit hereunder.

Any money paid to the Vendor pursuant to the preceding paragraph shall be applied, first, to the payment of interest accrued on the unpaid balance of the Purchase Price of the unit suffering a Casualty Occurrence, then, to the payment of the unpaid balance of the Purchase Price of such unit, and the balance, if any, to the Company. The semi-annual installment payments of the Conditional Sale Indebtedness becoming due thereafter shall be redetermined on the basis of the amount of such Indebtedness remaining unpaid and on the basis of the number of semi-annual payments remaining immediately after such application.

Upon payment by the Company to the Vendor of the Casualty Value of any unit of the Equipment having suffered a Casualty Occurrence, absolute right to the possession of, title to and property in such unit shall pass to and vest in the Company, without further transfer or action on the part of the Vendor, except that the Vendor, if requested by the Company, will execute and deliver to the Company, at the expense of the Company, an appropriate instrument confirming such passage to the Company of title to and property in such unit, in recordable form, in order that the Company may make clear upon the public records the title of the Company to such unit. Other than as herein provided, the Company shall not be released from its obligations hereunder in the event of and as between the Vendor and the Company shall bear the entire risk of, a Casualty Occurrence to any unit of the Equipment.

Upon any Casualty Occurrence with respect to any unit of the Equipment, the Company shall be entitled to receive any award or recovery payable in respect of such Casualty Occurrence; provided, however, that the Vendor shall be entitled to the full amount of any award or recovery from such occurrence either if the Company shall fail to make any payment due in respect thereof to the Vendor under the terms of this §5 (but without limiting any claims the Vendor may have against the Company by reason of such failure to make payment), or if an Event of Default (as defined in the Lease) shall occur (but in such event, only to the extent that such award or recovery is paid after the occurrence of such Event of Default); and provided, further that the amount of such award or recovery so received by the Vendor shall be credited against the amount due in respect of the applicable Casualty Occurrence.

§6. MAINTENANCE AND REPAIRS. The Company agrees that, until the payment in full of the Conditional Sale Indebtedness and all other payments required hereunder, it will cause the Lessee to maintain and keep all units of the Equipment in good and efficient working order and repair, reasonable wear and tear excepted, and acceptable for use.

Except for alterations or changes required by law, the Company shall not, without the prior written approval of the Vendor, permit any change in the design, construction or body of any unit of the Equipment.

Any parts installed or replacements made upon any unit of the Equipment shall be considered accessions to such Equipment and title thereto shall be immediately vested in the Vendor, without cost or expense to the Vendor, except as provided in §7(a) of the Lease.

§7. REPORTS AND INSPECTIONS. The Lessee agrees that it will, and the Company agrees that it will cause Lessee to, furnish to the Vendor and its assignees, concurrently with the transmission thereof to the Company, copies of each and every report and statement to be furnished to the Company by the Lessee pursuant to §13 of the Lease, together with such other reports or statements or information with respect to the Equipment as the Vendor or its assignees may from time to time reasonably request.

Further, the Vendor and/or its assignees shall have the right, at their sole cost and expense, by their authorized agents, employees and/or representatives, to inspect the Equipment and Lessee' records with respect thereto, at such times and from time to time as may be reasonably necessary to confirm to the satisfaction of the Vendor and/or its assignees the existence and proper maintenance of the Equipment or for any other proper reason; provided, however, that notwithstanding any contrary provision hereof, neither the Lessee nor the Company assumes any liability for injury to, or the death of, any agents, employees and/or representatives of the Vendor or other persons or any property of any of the foregoing as a result of the exercise of any right of the Vendor and/or its assigns under this Section.

§8. IDENTIFICATION MARKS. The Company will cause each unit of the Equipment to be kept numbered with its identifying number and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of such unit, in letters not less than one inch in height, the following legend: "OWNED BY A BANK OR TRUST COMPANY, AGENT, AS ASSIGNEE OF INTEREST EQUIPMENT COMPANY, UNDER SECURITY AGREEMENT FILED WITH ICC," or other appropriate words designated by the Vendor, with such appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the title of the Vendor to such unit and the rights of the Vendor under this Agreement. The Company will not permit any such unit to be placed in operation or exercise any control or dominion over the same until such name and words shall have been so marked on both sides thereof and will replace or cause to be replaced promptly any such names and words which may be removed, defaced or destroyed. The Company will not permit the identifying number of any unit of Equipment to be changed

except in accordance with a statement of new identifying number or numbers to be substituted therefor, which statement previously shall have been filed with the Vendor and filed, recorded or deposited in all public offices where this Agreement shall have been filed, recorded or deposited.

Except as above provided, the Company will not allow the name of any person, association or corporation to be placed on any units comprising the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Company may cause the Equipment to be lettered with the names or initials or other insignia customarily used by the Company or the Lessee on railroad equipment used by it of the same or a similar type for convenience of identification of the interests of the Company and the Lessee therein.

§9. TAXES. All payments to be made by the Company hereunder will be free of expense to the Vendor for collection or other charges and will be free of expense to the Vendor with respect to the amount of any local, state or federal taxes (other than net income, gross receipts, excess profits and similar taxes [except gross receipts taxes in the nature of or in lieu of sales taxes]) license fees, charges, fines or penalties of any kind (hereinafter called "Impositions") hereafter levied or imposed upon, or in connection with, or measured by, this Agreement or any sale, use, payment, shipment, delivery or transfer of title under the terms hereof, all of which Impositions the Company assumes and agrees to pay on demand in addition to the Conditional Sale Indebtedness. The Company will also pay or cause to be paid promptly all Impositions which may be imposed upon the Equipment or any unit thereof or for the use or operation thereof or upon the earnings arising therefrom or upon the Vendor solely by reason of its ownership thereof and will keep at all times all and every part of the Equipment free and clear of all Impositions which might in any way affect the title of the Vendor or result in a lien upon any unit of the Equipment; provided, however, that the Company shall be under no obligation to pay any Impositions so long as it is contesting in good faith and by appropriate legal proceedings such Impositions and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor hereunder. If any such Impositions shall have been charged or levied against the Vendor directly and paid by the Vendor, the Company shall reimburse the Vendor on presentation of invoices therefor.

§10. COMPLIANCE WITH LAWS AND RULES. Until the payment in full of the Conditional Sale Indebtedness together with all other payments due from the Company hereunder, the Company will comply, and will cause the Lessee to comply, in all respects with all laws of the jurisdictions in which operations involving the units of Equipment may extend, with the interchange rules of the Association of American Railroads, if applicable, and with all

lawful rules of the Interstate Commerce Commission, the Department of Transportation and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Equipment or any user thereof, to the extent that such laws and rules affect the operation or use of the Equipment; and in the event that such laws or rules (as applied to any operation or use of any unit of the Equipment) require the alteration of the Equipment or any unit thereof, the Company will conform therewith, at its expense, and will maintain the same in proper condition for operation under such laws and rules; provided however, that the Company may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor hereunder.

§11. POSSESSION AND USE. The Company, so long as an Event of Default (as hereinafter defined) shall not have occurred, shall be entitled, from and after delivery of the Equipment by the Vendor to the Company or to the Lessee as agent of the Company, to the possession of the Equipment and the use thereof, but only upon and subject to all the terms and conditions of this Agreement.

The Company may lease the Equipment to the Lessee or its assigns as permitted by, and for use as provided in, the Lease; provided, however, and the Lessee hereby so acknowledges, the rights of the Lessee and its permitted assigns under the Lease shall be subordinated and junior in rank to the rights, and shall be subject to the rights and remedies of, the Vendor under this Agreement. The Company hereby agrees that it will not exercise any of the remedies provided in the case of an event of default under and as defined in the Lease unless it shall notify the Vendor in writing of its intended exercise thereof and the Vendor shall consent thereto, and hereby further agrees to furnish to the Vendor copies of all summonses, writs, processes and other documents served by it upon the Lessee or served the Lessee upon it in connection therewith.

Units of the Equipment may be used upon the lines of railroad owned or operated by the Lessee, or any permitted sub-lessee thereof or upon lines of railroad over which the Lessee or any permitted sub-lessee thereof has trackage or other operating rights or over which railroad equipment of the Lessee is regularly operated pursuant to contract, trackage or other operating rights and units of the Equipment may be used upon other railroads in the usual interchange of traffic (if such interchange is customary at the time), but only upon and subject to all the terms and conditions of this Agreement. The Company may also lease units of the Equipment to any other railroad company with the prior written consent of the Vendor, provided that the rights of such lessee are made

expressly subordinate to the rights and remedies of the Vendor under this Agreement.

Anything to the contrary herein notwithstanding, the Lessee will not assign, and the Company will not permit the assigning of, any unit of the Equipment to service involving the regular operation and maintenance thereof outside the United States of America.

§12. PROHIBITION AGAINST LIENS. In addition to and without limitation of its obligations under §9 hereof, the Company will pay or satisfy and discharge any and all sums claimed by any party against the Company which, if unpaid, might become a lien, charge or security interest upon the Equipment, or any unit thereof, equal or superior to the title of the Vendor thereto, but 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 Vendor, adversely affect the property or rights of the Vendor hereunder.

§13. INDEMNIFICATION. The Company does hereby assume liability for, and does hereby agree to indemnify, protect, save and keep harmless the Vendor and its successors, assigns, agents and servants, from and against, any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements, including legal fees and expenses, of whatsoever kind and nature (except liabilities for taxes which the Company has not agreed to indemnify against pursuant to §9 hereof), imposed on, incurred by or asserted against the Vendor, any of its successors, assigns, agents or servants (whether or not also indemnified against by any other person under any other document) in any way relating to or arising out of this Agreement and properties of the Vendor covered hereby, ownership, delivery, nondelivery, lease, possession, use, operation, condition, sale, return or other disposition of any or all of the units of the Equipment (including, without limitation, latent and other defects, whether or not discoverable by the Vendor or the Company and any claim for patent, trademark or copyright infringement), except only that the Company shall not be required to indemnify against loss or liability suffered by the Vendor, or its successors or assigns, or its agents or servants, where such loss or liability results from the claimant's own willful misconduct or negligence. If either party hereto shall have knowledge of any claim or liability hereby indemnified against, it shall give prompt written notice thereof to the other party. The Company shall be obligated under this section irrespective of whether the individual or the corporation indemnified shall also be indemnified with respect to the same matter by any other person under any other document,

and the individual or corporation seeking indemnification may proceed directly against the Company under this section without first resorting to any such other rights of indemnification. Upon the payment in full of any indemnities as contained in this section by the Company, it shall be subrogated to any right of the individual or corporation indemnified in respect of the matter against which indemnity has been given. In the event the Company is required to make any payment under this section, the Company shall pay the person indemnified an amount which, after deduction of all taxes required to be paid by said person in respect of the receipt thereof under the laws of the United States or of any political subdivision thereof (after giving credit for any savings in respect of any such taxes by reason of deductions, credits or allowances in respect of the payment of the expense indemnified against, and of any other such taxes), shall be equal to the amount of such payment.

§14. PATENT INDEMNITIES. The Company will indemnify, protect and hold harmless the Vendor from and against any and all liability, claims, demands, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Vendor because of the use in or about the construction or operation of the Equipment, or any unit thereof, of any design, article or material which infringes or is claimed to infringe on or to constitute contributing infringement with respect to any patent or other similar right. The Vendor agrees to and hereby does, to the extent legally possible without impairing any claim, right or cause of action hereinafter referred to, transfer, assign, set over and deliver to the Company every claim, right and cause of action which the Vendor has or hereafter shall have against the originator of any design or against the seller or sellers of any designs or articles or materials purchased or otherwise acquired by the Vendor for use in or about the construction or operation of the Equipment, or any unit thereof, on the ground that any such designs, article or material or operations thereof infringes or is claimed to infringe on or to constitute contributing infringement with respect to any patent or other right and the Vendor further agrees to execute and deliver to the Company all and every such further assurance as may reasonably be requested by the Company more fully to effectuate the assignment, transfer and delivery of every such claim, right and cause of action. The Vendor will give notice to the Company of any claim known to the Vendor from which liability may be charged against the Company hereunder and the Company will give notice to the Vendor of any claim known to it from which liability may be charged against the Vendor hereunder.

§15. ASSIGNMENTS. The Company will not assign or transfer its rights under this Agreement, or, except as provided

in §11 hereof, transfer or permit the transfer of the right to possession of any unit of the Equipment unless (i) prior written notice thereof shall have been given to the Vendor and the Vendor shall have consented thereto, and (ii) such assignment or transfer is expressly made subject in all respects to the rights and remedies of the Vendor hereunder (including, without limitation, rights against the Lessee which the Lessee hereby acknowledges shall not be affected by such assignment or transfer). The Company shall remain liable upon all of its obligations hereunder, notwithstanding such assignment or transfer or the assumption of such obligations by such assignee or transferee. The Company further shall cause such assignee or transferee to deliver to the Vendor its acknowledgement of and consent to (in form satisfactory to the Vendor) the terms under which such assignment or transfer is permitted, as in this section provided.

All or any of the rights, benefits and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Company may be assigned by the Vendor and reassigned by its assignee at any time or from time to time.

Upon any such assignment by the Vendor either the assignor or the assignee shall give written notice to the Company and 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 the Vendor's rights, benefits and advantages under this Agreement, including all of the Vendor's right, title 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 Company and the Lessee, respectively, of the notification of any such assignment, all payments thereafter to be made by the Company or 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.

The Company and the Lessee recognize that it is the custom of railroad equipment sellers to assign agreements of this character and understand that the assignment of this Agreement, or of some of or all the rights of the Vendor hereunder, is contemplated. The Company and the Lessee expressly represent, for the purpose of assurance to any person, firm or corporation con-

sidering the acquisition of this Agreement or of all or any of the rights of the Vendor hereunder, and for the purpose of inducing such acquisition, that in the event of such assignment by the Vendor as hereinbefore provided the rights of such assignee to the entire unpaid Conditional Sale Indebtedness or such part thereof as may be assigned, as well as any other rights hereunder which may be so assigned, shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever arising out of any breach of any obligation of the Vendor with respect to the Equipment or any unit thereof or the delivery or warranty thereof, or with respect to any indemnity herein contained, nor subject to any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Company or the Lessee by the Vendor; and further that all rights and remedies of, and the exercise of any powers by, the Company under the Conditional Sale Agreement, and the Lessee under the Lease, shall be in all respects subordinate and subject to the rights and remedies of, and the exercise of any powers of, the Vendor assigned to such assignee.

In the event of any such assignment or successive assignments by the Vendor of its interest in and to the Equipment or any unit thereof and of the Vendor's rights hereunder with respect thereto, the Company will, whenever requested by such assignee, change the names and word or words to be marked on each side of each unit of the Equipment, so as to indicate the title of such assignee to the Equipment with such names and word or words as shall be specified by such assignee, subject to the requirements of the laws of the jurisdictions in which such unit of the Equipment shall be operated relating to such names and word or words for use on railroad equipment covered by conditional sale agreements. The cost of marking such names and word or words with respect to the first assignee of this Agreement (or to a successor agent or trustee in case the first assignee is an agent or trustee) shall be borne by the Company. The cost of marking such names and word or words in connection with any subsequent assignment (other than to a successor agent or trustee if the first assignee is an agent or trustee) shall be borne by the subsequent assignee.

In the event of any such assignment prior to the completion of delivery of the Equipment the Company and the Lessee will, in connection with settlement for any unit of the Equipment, deliver to such assignee, at the time of delivery by the Company of notice fixing the Closing Date with respect to such unit, all documents required by the terms of such assignment to be delivered to such assignee in connection with such settlement, in such number of counterparts as may reasonably be requested except for an opinion of counsel for such assignee.

§16. EVENTS OF DEFAULT. In the event that, prior to the payment in full of the Conditional Sale Indebtedness and all other payments required hereunder, one or more of the following events (herein called an "Event of Default") shall occur:

(a) Default shall be made in the payment of any sum payable by the Company when payment thereof shall be due hereunder and such default shall continue for five (5) days after written notice from the Vendor to the Company;

(b) The Company shall make or suffer any unauthorized assignment or transfer of this Agreement or of any interest herein or of possession of any unit of the Equipment except for the requisitioning, taking over or nationalizing described in §5 of this Agreement and shall fail or refuse to cause such assignment or transfer to be cancelled by agreement of all parties having any interest therein and to recover possession of such Equipment within thirty (30) days after written notice from the Vendor to the Company demanding such cancellation and recovery of possession;

(c) Default shall be made in the observance or performance of any of the covenants, conditions and agreements on the part of the Company contained herein, other than those specified in (a) and (b) above, and such default shall continue for thirty (30) days after written notice from the Vendor to the Company specifying the default and demanding the same to be remedied;

(d) Any material representation made by the Company herein or hereunder or in any certificate or other instrument delivered under or pursuant to any provision hereof shall prove to have been false or incorrect in any material respect on the date as of which made;

(e) Any proceedings shall be commenced by or against the Company for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions, and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue) all the obligations of the Company under this Agreement shall not have been duly assumed by a trustee or trustees or receiver or

receivers appointed for the Company or for its property in connection with any such proceedings or otherwise given the same status as obligations assumed by such a trustee or trustees or receiver or receivers, with thirty (30) days after such appointment, if any, or sixty (60) days after such proceedings shall have been commenced, whichever shall be earlier;

then at any time after the occurrence of such an Event of Default the Vendor may, upon compliance with any legal requirements then in force and applicable to such action by the Vendor, upon written notice to the Company, declare (such declaration hereinafter called "Declaration of Default") the entire aggregate unpaid Purchase Price of the Equipment, together with the interest thereon then accrued and unpaid, immediately due and payable, without further demand, and thereafter the aggregate of such aggregate unpaid balance of such Purchase Price and such interest shall bear interest from the date of such Declaration of Default at the rate of 9% per annum and the Vendor shall thereupon be entitled to recover judgment for the entire unpaid balance of the Purchase Price of the Equipment so payable, with all interest as aforesaid, and to collect such judgment out of any property of the Company wherever situated.

The Vendor may waive any such Event of Default and its consequences and rescind any Declaration of Default (or any termination of the Lease, where the same shall be permitted under §17 hereof) by notice to the Company and the Lessee in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such Event of Default had existed and no Declaration of Default (or termination of the Lease, where applicable) had been made. Notwithstanding the provisions of this paragraph, it is expressly understood and agreed by the Company and the Lessee that time is of the essence of this Agreement and that no such waiver or rescission shall extend to or affect any other or subsequent default or impair any rights or remedies consequent thereon.

§17. REMEDIES. At any time during the continuance of a Declaration of Default, in addition to and without limitation of its rights under §16 hereof, the Vendor may, upon such further notice, if any, as may be required for compliance with any mandatory requirements of law then in force and applicable to the action to be taken by the Vendor, at its option

(1) proceed by appropriate court action or actions, either at law or in equity, to enforce performance by the Company of the applicable provisions of this Agreement, or to recover damages for the breach thereof;

(2) take or cause to be taken by its agent or agents immediate possession of the Equipment, or any unit thereof, and retain the same (subject, so long as the Lessee shall not be in default under the Lease, to the Lessee's right to the possession and use of such), to the complete exclusion of the Company thereto and free of any claims of the Company thereto, except as hereinafter in this §17 provided, and without liability to return to the Company any sums theretofore paid by the Company hereunder, and thereafter all rights of the Company in the Equipment or such unit thereof will thereupon terminate and all payments made by the Company may be retained by the Vendor as compensation for the use of the Equipment; provided, however, that if the Company, before the expiration of thirty (30) days from the receipt of such notice should pay or cause to be paid to the Vendor the total unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment or such unit thereof, together with interest thereon accrued and unpaid, all further interest payable by the terms of §16 hereof, and all other payments due under this Agreement, as well as the expenses of the Vendor in possessing and holding the Equipment and the Vendor's attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment or such unit thereof shall pass to and vest in the Company;

(3) upon reasonable notice to the Company, the Lessee and to any other persons to whom the law may require notice of the time and place of such sale to be given, may sell the Equipment, or any unit thereof, free from any and all claims of the Company, or of any other party claiming by, through or under the Company, at law or in equity (subject, however, to all of the Lessee's rights under the Lease, so long as the Lessee is not in default thereunder and/or such Lease has not been terminated), at public or private sale and with or without advertisement as the Vendor may determine; provided, however, that if prior to such sale or prior to the making of a contract for such sale, the Company should tender full payment of the entire indebtedness in respect of the Purchase Price of the Equipment or such unit thereof, together with interest thereon accrued and unpaid, all further interest payable by the terms of §16 hereof, and all other payments due under this Agreement as well as the expenses of the Vendor in re-taking, holding and preparing the Equipment for disposition and arrangement for the sale and the Vendor's

attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Company. The proceeds of such sale less the attorneys' fees and any other expenses incurred by the Vendor in taking possession of, removing, storing and so disposing of the Equipment shall be credited against the total amounts due to the Vendor under the provisions of this Agreement.

Any sale hereunder may be held or conducted at such place or places and at such time or times as the Vendor may specify, in one lot and as an entirety, or in separate lots and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Vendor may determine; provided, however, that the Company and the Lessee shall be given written notice of such sale as provided hereinabove. If such sale shall be a private sale, it shall be subject to the right of the Company and the Lessee to purchase or provide a purchaser within ten (10) days after notice of the proposed sale price, at the same price offered by the intending purchaser or a better price. The Vendor may bid for and become the purchaser of the Equipment, or any unit thereof, so offered for sale without accountability to the Company or the Lessee (except to the extent of surplus money received as hereinafter provided in this §17), and in payment of the purchase price therefor the Vendor shall be entitled to have credited on account thereof all sums due to the Vendor from the Company hereunder;

(4) in the event that an Event of Default (as that term is defined in §11 of the Lease) has occurred and is continuing, upon written notice to the Lessee, (i) cause the Lease upon the date specified in such notice to terminate but without affecting the Lessee's obligation to make any payments then due thereunder or preserved thereunder following any termination (and the Company and the Lessee each acknowledge the right of the Vendor to terminate the Lease as aforesaid), and/or (ii) cause the Company to exercise any or all of the remedies available to the Company as Lessor under the terms of the Lease upon the occurrence of an Event of Default thereunder (and the Company and the Lessee each acknowledge the right of the Vendor so to cause the Company to exercise such remedies).

All sums of money realized by the Company pursuant to its exercise of any of the remedies available to it under the terms of the Lease upon the occurrence of an Event of Default thereunder (whether or not at the behest of the Vendor under this subsection (4)) shall be held by the Company solely for the benefit of the Vendor and shall be applied as hereinafter in this §17 provided.

Each and every power and remedy hereby specifically given to the Vendor 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 Vendor. 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, except where time limits are expressly herein provided, or omission of the Vendor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder shall impair any such remedy or shall be construed to be a waiver of any default or an acquiescence therein.

All sums of money realized by the Vendor or by the Company for the benefit of the Vendor under the remedies herein provided shall be applied, first to the payment of the expenses and liabilities of the Vendor herein undertaken to be paid, second to the payment of interest on the unpaid Purchase Price of the Equipment accrued and unpaid, third to the payment of the unpaid Purchase Price of the Equipment, fourth to the payment of any further interest payable by the terms of §16 hereof, and fifth to the payment of any other amounts due to the Vendor from the Company under any of the terms of this Agreement. If, after applying as aforesaid all sums of money realized by the Vendor, there shall remain any amount due to it under the provisions of this Agreement, the Company shall pay the amount of such deficiency to the Vendor upon demand, and if the Company shall fail to pay the full deficiency, the Vendor may bring suit therefor and shall be entitled to recover a judgment therefor against the Company. If, after applying as aforesaid all sums realized by the Vendor, there shall remain a surplus in the possession of the Vendor, such surplus shall be paid to the Company.

The Company will pay all expenses, including attorneys'

fees, incurred by the Vendor in enforcing its remedies under the terms of this Agreement. In the event that the Vendor shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Vendor may recover its expenses, including attorneys' fees, and the amount thereof shall be included in such judgment.

The foregoing provisions of this §17 are subject in all respects to all mandatory requirements of law at the time in force and applicable thereto.

§18. REPRESENTATIONS AND WARRANTIES.

(a) THE VENDOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, TO EITHER THE COMPANY OR THE LESSEE, AS TO THE DESIGN OR CONDITION OF, OR AS TO THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, ANY UNIT OF THE EQUIPMENT DELIVERED HEREUNDER, AND THE VENDOR MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS OF THE EQUIPMENT OR ANY UNIT THEREOF FOR ANY PARTICULAR PURPOSE OR AS TO TITLE TO THE EQUIPMENT OR ANY UNIT THEREOF, IT BEING AGREED THAT ALL SUCH RISKS, AS BETWEEN THE VENDOR ON THE ONE HAND, AND THE COMPANY ON THE OTHER, ARE TO BE BORNE BY THE LESSEE AND THE COMPANY; but the Vendor hereby irrevocably appoints and constitutes Lessee its agent and attorney-in-fact until the payment in full of the Conditional Sale Indebtedness and all other payments due from the Company hereunder to assert and enforce from time to time, at Lessee's sole cost and expense, whatever claims and rights the Vendor may have under the Manufacturing Agreements. (Lessee shall be entitled to retain for itself all damages, costs and expenses which it recovers in asserting and enforcing such claims and rights, upon the terms set forth in §4(a) of the Lease). Lessee's delivery of a Certificate of Acceptance shall be conclusive evidence, as between the Vendor on the one hand, and the Company and the Lessee on the other, that all units of the Equipment described therein are in all the foregoing respects satisfactory to the Company and Lessee, and neither Lessee nor the Company will assert any claim of any nature whatsoever against the Vendor based on any of the foregoing matters.

(b) The Company represents and warrants that:

(i) The Company is a corporation duly organized, validly existing and in good standing under the laws of the state of Delaware, and is duly qualified and authorized to do business wherever necessary to carry on its present business and operations and to own its properties and to perform its obligations under this Agreement;

(ii) the Company has the full power, authority and legal right to enter into and perform this Agreement, and the execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate action on the part of the Company, do not require any stockholder approval or approval or consent of any trustee or holders of any indebtedness or obligations of the Company, and do not contravene any law binding on the Company or contravene the certificate of incorporation or by-laws of the Company or any indenture, mortgage, contract or other agreement to which the Company is a party or by which it is bound;

(iii) the Company is not a party to any agreement or instrument or subject to any charter or other corporate restriction which will materially adversely affect the Company's financial condition, business or operations or the ability of the Company to perform its obligations under this Agreement;

(iv) this Agreement constitutes the valid and legally binding obligation of the Company enforceable against the Company in accordance with the terms thereof;

(v) there are no pending or threatened actions or proceedings before any court or administrative agency which will materially adversely affect the condition, business or operations of the Company or the ability of the Company to perform its obligations under this Agreement.

(c) The Lessee represents and warrants that the representations and warranties made to the Company as Lessor in §4(b) of the Lease are true and correct in all respects, and the Vendor may rely thereon in all respects as if made directly to the Vendor; provided however that the foregoing shall not apply with respect to §4(b)(x) thereof.

§19. EXTENSION NOT A WAIVER, ETC. No delay or omission in the exercise of any power or remedy herein provided or otherwise available to the Vendor shall impair or affect the Vendor's right thereafter to exercise the same, unless, with respect to an Event of Default, the Company shall cure such Default prior to the Vendor's exercise of such power or remedy. Any extension of time for payment hereunder or other indulgence duly granted to the Company shall not otherwise alter or affect the Vendor's rights or the obligations of the Company hereunder. The Vendor's acceptance of any payment after it shall have become due hereunder shall not be deemed to alter or affect the Company's obligations or the Vendor's rights hereunder with respect to any subsequent payments or defaults.

Except as otherwise provided in this Agreement, the Company, to the full extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of or to sell the Equipment, or any unit thereof, and any other requirements with respect to the enforcement of the Vendor's rights hereunder.

§20. MODIFICATION OF AGREEMENT. This Agreement and the Annexes attached hereto exclusively and completely state the rights of the Vendor and the Company with respect to the Equipment, and supersede all other agreements, oral or written, with respect to the Equipment. No modification, variation, termination, discharge or abandonment hereof and no waiver of any of the provisions or conditions shall be valid unless in writing and signed by duly authorized representatives of the Vendor and the Company or the successors, transferees or assigns of either.

Notwithstanding anything to the contrary herein, the Lease shall not be modified, varied, terminated, discharged or abandoned, nor any of the provisions or conditions waived, except in accordance with the terms of §20 of the Lease.

§21. SECTION HEADINGS AND CERTAIN REFERENCES. All section headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement. Unless otherwise indicated, all references herein to sections, sub-sections, clauses and other subdivisions refer to the corresponding sections, subsections, clauses and other subdivisions of this Agreement; the words "herein", "hereof", "hereby", "hereto", "hereunder", and words of similar import refer to this Agreement as a whole and not to any particular section, subsection, clause or other subdivision hereof; and reference to a numbered or lettered subdivision of a section shall include relevant matter within the section which is applicable to but not within such numbered or lettered subdivision.

The term "Vendor", whenever used in this Agreement, means, before any assignment of any of its rights hereunder, Interet Equipment Company, and any successor or successors for the time being to its properties and business, and, after any such assignment, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also any assignor or assignors as regards any rights hereunder that are retained or excluded from any assignment.

§22. CERTAIN APPLICABLE LAWS. Any provisions hereof prohibited by or unlawful or unenforceable under any applicable law of any jurisdiction shall as to such jurisdiction be ineffective without modifying the remaining provisions of this Agreement. Where, however, the provisions of any such applicable law may be waived, they are hereby waived by the parties hereto to the full extent permitted by law, to the end that this Agreement shall be deemed to be a valid, binding agreement enforceable in accordance with its terms.

§23. NOTICES. All demands, notices and other communications hereunder shall be in writing and shall be deemed to have been duly given when personally delivered or delivered to a United States post office, first-class postage prepaid, or to a telegraph office, charges prepaid, addressed as follows:

If to the Vendor:

Interet Equipment Company
280 Park Avenue
New York, N. Y. 10017
Attention: David James Fisher, President

If to the Company:

Unilase Ltd.
280 Park Avenue
New York, N. Y. 10017
Attention: David James Fisher, Vice President

If to Lessee:

Elgin, Joliet and Eastern Railway Company
P. O. Box 536
Pittsburgh, Pa. 15230
Attention: V. W. Kraetsch, Vice President-Finance

or to such other addresses as may hereafter be furnished in writing by any party to all of the others hereto.

§24. GOVERNING LAW. The provisions of this Agreement and all rights and obligations hereunder shall be governed by and construed in accordance with the laws of the State of New York.

§25. SURVIVAL OF COVENANTS. Any other provisions contained in this Agreement to the contrary notwithstanding, it is hereby agreed that the provisions of §9, §13, §14 and §18 hereof shall survive the payment in full of the Conditional Sale Indebtedness and all other payments due from the Company hereunder, and the expiration or termination hereof.

§26. SUCCESSORS AND ASSIGNS. Subject to the provisions of §15, this Agreement shall be binding upon and shall inure to the benefit of the Vendor and the Company and their respective successors and assigns, and no other persons shall have or acquire any right under or by virtue of this Agreement.

§27. EXECUTION IN COUNTERPARTS. This Agreement may be executed simultaneously in several counterparts, each of which so executed shall be deemed to be an original, and all such counterparts together shall constitute but one and the same instrument.

§28. RECORDING. Promptly following the execution of this Agreement, the Lessee, without expense to the Vendor or the Company, will cause this Agreement and all assignments hereof or thereof to be duly filed and recorded with the Interstate Commerce Commission in accordance with Section 20(c) of the Interstate Commerce Act and to be deposited with the Registrar General of Canada in accordance with Section 148 of the Railway Act (and notice of such deposit to be given in the "Canada Gazette" pursuant to said Section 148). The Lessee will further duly file and record or deposit as aforesaid any amendments or supplements hereto and re-file and re-record any of the foregoing as may be necessary. The Lessee will promptly furnish to the Vendor and the Company certificates or other evidences of such filing and recording and re-filing and re-recording and an opinion, satisfactory to the Vendor and the Company, of counsel for the Lessee, or an attorney designated by it satisfactory to the Vendor and the Company, with respect thereto. In addition, the Lessee shall do and perform any other act and will execute, acknowledge, deliver, file, register, deposit and record (and will re-file, re-register, re-deposit and re-record whenever necessary) any and all further instruments required by law or reasonably requested by the Company or the Vendor for the purpose of the proper protection (to the satisfaction of the Company, the Vendor and their respective counsel) of their respective interests in the Equipment or any

unit thereof, and their rights under this Agreement or for the purpose of carrying out the intention of this Agreement of any assignment hereof. The Lessee shall promptly furnish to the Company and the Vendor evidences of any of the foregoing.

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

INTERET EQUIPMENT COMPANY

By David James Fisher
President

ATTEST:

Brian M. McLoey
Secretary

UNILEASE LTD.

By David James Fisher
Vice President

ATTEST:

Brian M. McLoey
Secretary

ELGIN, JOLIET AND EASTERN
RAILWAY COMPANY

By [Signature]
Secretary

ATTEST:

[Signature]
Secretary



STATE OF *New York* }
COUNTY OF *New York* }

SS:

On this *17^m* day of *August* 1972, before me personally appeared *David James Fisher*, to me personally known, who, being by me duly sworn, said that he is the *President* of *Inter Equipment Company*, that one of the seals affixed to the foregoing 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.

Gloria Portugal

GLORIA PORTUGAL
Notary Public, State of New York
No. 41-3138250
Qualified in Queens County
Commission Expires March 30, 1973

STATE OF *New York* }
COUNTY OF *New York* }

SS:

On this *17^m* day of *August* 1972, before me personally appeared *David James Fisher*, to me personally known, who, being by me duly sworn, said that he is the *Vice President* of *Unilever Ltd.*, that one of the seals affixed to the foregoing 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.

Gloria Portugal

GLORIA PORTUGAL
Notary Public, State of New York
No. 41-3138250
Qualified in Queens County
Commission Expires March 30, 1973

STATE OF *Pennsylvania* }
COUNTY OF *Allegheny* } SS:

On this *17^m* day of *August 1972*, before me personally appeared **R. B. HOOD**, to me personally known, who, being by me duly sworn, said that he is the *Secretary* of **ELGIN, JOLIET AND EASTERN RAILWAY COMPANY**, that one of the seals affixed to the foregoing 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.

Paul S. Young

PAUL S. YOUNG, Notary Public
PITTSBURGH, ALLEGHENY COUNTY, PA.
MY COMMISSION EXPIRES
JANUARY 7, 1973

EQUIPMENT

<u>No. of Units</u>	<u>Description</u>	<u>Manufacturers' Invoice Price (Approximate)</u>	<u>E, J&E Road Numbers</u>	<u>Expected Closing Date</u>	<u>Quarterly Rental per unit*</u>	<u>Daily Rental per unit*</u>
150	100-Ton General Service Gondolas; Whitaker Corporation, Berwick Forge and Fabricating Division, builder	\$2,266,300	86000-86069	8/10/72	2.0719%	0.0230%
24	125-Ton Covered Hopper Cars; ACF Industries, Inc., builder	\$622,800	4200-4279	10/10/72	2.0719%	0.0230%
100	70-Ton Coke Hopper Cars with Air-operated Doors and Used Friction Bearing Trucks; Greenville Steel Car Company, builder	\$1,951,000	73001-73100	12/20/72	1.8138%	0.0202%
4	GP-38, 2000 H.P. Diesel, Electric Locomotives; General Motors Corporation (Electro-Motive Division), builder	\$1,052,900	700-703	12/20/72	2.0719%	0.0230%
		<u>\$5,893,000</u>				

*expressed as a percentage of the Purchase Price (as defined in §3 of the Agreement) of such unit

15 Year Lease

<u>Calendar Quarter*</u>	<u>Percentage of Purchase Price**</u>	<u>Calendar Quarter*</u>	<u>Percentage of Purchase Price**</u>
1	99.063	31	60.607
2	99.182	32	59.286
3	99.174	33	57.848
4	99.123	34	56.488
5	98.949	35	55.014
6	98.746	36	53.612
7	98.432	37	52.107
8	98.083	38	50.670
9	97.624	39	49.134
10	97.134	40	47.660
11	96.540	41	46.096
12	95.923	42	44.591
13	90.322	43	42.999
14	89.504	44	41.461
15	88.515	45	39.846
16	87.629	46	38.281
17	86.581	47	36.643
18	85.635	48	35.048
19	84.528	49	33.392
20	83.520	50	31.772
21	77.685	51	30.093
22	76.620	52	28.442
23	75.406	53	26.744
24	74.284	54	25.066
25	73.020	55	23.345
26	71.847	56	21.636
27	70.535	57	19.895
28	69.309	58	18.158
29	63.278	59	16.393
30	62.006	60	14.133

* Casualty Values are determined as of the calendar quarter in which the Casualty Occurrence occurs irrespective of the actual date of payment.

** Purchase Price as defined in §3 of Conditional Sale Agreement

18 Year Lease

<u>Calendar Quarter*</u>	<u>Percentage of Purchase Price**</u>	<u>Calendar Quarter*</u>	<u>Percentage of Purchase Price**</u>
1	98.929	37	61.834
2	99.159	38	60.735
3	99.253	39	59.520
4	99.343	40	58.390
5	99.299	41	57.151
6	99.263	42	55.995
7	99.104	43	54.734
8	98.949	44	53.551
9	98.671	45	52.271
10	98.401	46	51.067
11	98.014	47	49.768
12	97.657	48	48.541
13	92.861	49	47.228
14	92.318	50	45.981
15	91.605	51	44.650
16	91.000	52	43.380
17	90.230	53	42.034
18	89.569	54	40.743
19	88.745	55	39.378
20	88.027	56	38.064
21	82.478	57	36.684
22	81.708	58	35.348
23	80.784	59	33.949
24	79.962	60	32.589
25	78.992	61	31.174
26	78.123	62	29.791
27	77.109	63	28.357
28	76.194	64	26.950
29	70.464	65	25.500
30	69.507	66	24.069
31	68.414	67	22.600
32	67.415	68	21.143
33	66.286	69	19.657
34	65.251	70	18.177
35	64.091	71	16.672
36	63.022	72	14.135

* Casualty Values are determined as of the calendar quarter in which the Casualty Occurrence occurs irrespective of the actual date of payment.

** Purchase Price as defined in §3 of Conditional Sale Agreement.