Illinois Central Gulf

An IC Industries Company

William H. Sanders
Corporate Counsel

Illinois Central Gulf Railroad
Two Illinois Center
233 N. Michigan Avenue
Chicago, IL 60601
312 565 1600

May 23, 1979

10396
RECORDATION NO. Filed 1425

S-144A032

MAY 24 1979 -2 45 PM
INTERSTATE COMMERCE COMMISSION

MAY 24 1979
Date
Fee $ 50.00
ICC Washington, D. C.

Honorable H. Gordon Homme, Jr.
Secretary
Interstate Commerce Commission
Washington, D. C. 20423

Dear Sir:

Pursuant to the provisions of former Section 20(c) of the Interstate Commerce Act (now 49 U.S.C. Sec. 11303) and the applicable regulations of the Interstate Commerce Commission, there are herewith transmitted for filing and recording a number of counterparts of an Equipment Lease Agreement dated as of May 21, 1979 between Mitsui & Co. (U.S.A.), Inc. and Illinois Central Gulf Railroad Company.

A draft payable to the order of the Interstate Commerce Commission for the recording fee applicable to this filing is enclosed herewith. The name of the Owner-Lessor is:

Mitsui & Co. (U.S.A.), Inc.
200 Park Avenue
New York, N. Y. 10017

The name of the Lessee is:

Illinois Central Gulf Railroad Co.
233 N. Michigan Avenue
Chicago, Illinois 60601

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I. C. C.
FEE OPERATION BR.

The equipment covered by this Agreement is 78 new 100-ton covered hopper cars, Nos. ICG-766833 through 766910, inclusive. This Agreement has not previously been recorded with the Interstate Commerce Commission.

It is respectfully requested that all counterparts not needed for the Commission's files be returned to the bearer of this letter with the Commission's recordation stamp shown thereon.

Very truly yours,

W. H. Sanders

W. H. Sanders

Enc.

Duplicate - Jeanne Marvent

MITSUI & CO., (U.S.A.), INC.
200 Park Avenue, New York, NY 10017

EQUIPMENT LEASE AGREEMENT

10396
RECORDATION NO. ..... Filed 1425
MAY 24 1979 -2 45 PM
INTERSTATE COMMERCE COMMISSION

THIS LEASE, dated as of this 21st day of May, 1979, by and between Mitsui & Co., (U.S.A.), Inc., a New York Corporation, (hereinafter called "Lessor") and Illinois Central Gulf Railroad Company, a Delaware Corporation (hereinafter called "Lessee"):

W I T N E S S E T H:

1. LEASE - Lessor hereby agrees to lease to Lessee and Lessee hereby agrees to hire from Lessor the unit or units of equipment, machinery or other property (hereinafter called "equipment") described in *the Individual Equipment Record (hereinafter called "IER") to be attached hereto as Exhibit "A" and made a part hereof, or any subsequent IER's which may hereafter be made a part hereof as same are executed from time to time by the parties hereto.
* Schedule A of this lease and on

2. TERM - The term of the lease for any of the equipment shall be as set forth on the IER applicable to such equipment and shall commence for each unit or units of equipment on the date shown on the applicable IER. The word "term" as used herein shall refer to any extensions of the original term.

3. RENT - Lessee shall pay Lessor rent as stipulated in the IER, without deduction or offset, in the amounts and at the times set forth in the IER. In the event Lessee shall be in default in the payment of any sum of money to be paid under this lease agreement, the Lessee shall pay Lessor, as additional rental, to the extent permitted by applicable law, interest on unpaid rent from its due date (without regard to any grace period) to date of payment at the rate of 10% per annum or such lesser amount as may represent the maximum permitted by applicable law. Rent shall be payable in immediately available funds at the office of Lessor at or its assigns (or at such other place as Lessor may from time to time designate in writing).

4. TAXES AGAINST LESSOR OR EQUIPMENT - Lessee agrees to pay and to indemnify and hold Lessor harmless from, all license and registration fees and sales, use, personal property, stamp or other taxes, levies, imposts, duties, charges or withholdings of any nature whatsoever together with any penalties, fines or interest thereon (collectively, "taxes, fees or other charges") imposed against Lessor, Lessee or the equipment or any part thereof by any Federal, state or local government or taxing authority, during the term or in connection with the termination of this lease, upon or with respect to the equipment or any part thereof or upon the purchase, ownership, delivery, leasing, possession, use, operation, return or other disposition thereof, or upon the rentals, receipts or earnings arising therefrom, or upon or with respect to this lease (excluding, however, (i) any taxes imposed by the Federal government on, based on, or measured by, the net income of the Lessor and (ii) any income or franchise taxes imposed by any taxing authority other than the Federal government on, based on, or measured by, the net income of the Lessor which in the aggregate do not exceed the amount of any such taxes which would be payable to the taxing authorities of the jurisdictions, other than the United States of America, in which Lessor has its principal place of business if there was no

allocation or apportionment to any other taxing authority), unless, and to the extent only that, any such tax, levy, impost, duty, charge or withholding is being contested by Lessee in good faith and by appropriate proceedings. In case any report or return is required to be made with respect to any obligation of Lessee under this Section or arising out of this Section, Lessee will either make such report or return in such manner as will show the ownership of the equipment in Lessor and send a copy of such report or return to Lessor or will notify Lessor of such requirement and make such report or return in such manner as shall be satisfactory to Lessor. Anything contained in this Section to the contrary notwithstanding, if Lessor shall assign or convey its right, title and interest in and to this Lease and/or the equipment, Lessee shall not be obligated to pay any taxes, levies, imposts, duties, charges or withholdings of any nature imposed against Lessor, Lessee or the equipment which would not have been imposed had such assignment or conveyance not occurred. If claim is made against Lessor for any such taxes referred to in this Section, Lessor shall promptly notify Lessee. If reasonably requested by Lessee in writing, Lessor shall, at Lessee's expense, take such action as Lessee may reasonably request with respect to such asserted liability, and if reasonably so requested by Lessee, any payment by Lessor of such tax shall be made under protest, if protest is necessary and proper. If payment is made, Lessor shall, at Lessee's expense, take such action as Lessee may reasonably request to recover such payment and shall, if requested, permit Lessee in Lessor's name to file a claim or prosecute an action to recover such payment. All of the obligations of Lessee under this Section with respect to any fees, taxes, levies, imposts, duties, charges or withholdings (together with any penalties, fines or interest thereon) imposed or accrued before the expiration or other termination of this lease shall continue in full force and effect nothwithstanding such expiration or other termination and are expressly made for the benefit of, and shall be enforceable by, Lessor.

Lessor and Lessee convenant and agree that Lessor shall have the sole right to utilize and to claim depreciation deductions on the equipment in the computation of Federal, state and local tax returns and reports for any year during the term of this lease and that Lessee shall not utilize or claim or attempt to utilize or claim said depreciation deductions for any tax purposes whatsoever.

5. LESSEE'S FAILURE TO PAY TAXES, INSURANCE, ETC. - Should Lessee fail to make any payment or do any act as herein provided, then Lessor shall have the right, but not the obligation, without notice to or demand upon Lessee, and without releasing Lessee from any obligation hereunder, to make or do the same, and to pay, purchase, contest or compromise any encumbrance, charge or lien which in Lessor's judgement appears to affect the equipment, and in exercising any such rights, incur any liability and expend whatever amounts in its absolute discretion it may deem necessary therefor. All sums so incurred or expended by Lessor shall be without demand immediately due and payable by Lessee and shall bear interest at the maximum rate permitted by applicable law.

6. USE - Lessee shall use, operate, maintain and store the equipment in a careful and proper manner and shall comply with all laws, ordinances and regulations in any way relating to the possession, use, operation or maintenance of the equipment. Lessee shall put the equipment only to the use contemplated by the manufacturer. Lessee warrants and agrees that the equipment will at all times be used and operated under and in compliance with the laws of the jurisdictions in which the equipment may be located and operated, the Interchange Rules of the Association of American Railroads, if applicable, and in compliance with all applicable, laws, ordinances, rules, regulations, requirements and orders of any judicial, legislative or regulatory body having power to regulate or supervise the use of the equipment

including, but not limited to, the rules and regulations of the United States Department of Transportation and the Interstate Commerce Commission and the current Interchange Rules, or supplements thereto, of the Mechanical Division, Association of American Railroads. Lessee further warrants and agrees that the equipment will be used upon its lines or railroad or upon the lines of railroads over which Lessee has trackage or other operating rights or over which railroad equipment of Lessee is regularly operated pursuant to contract or upon other railroads in the usual interchange of traffic (if such interchange is customary at the time); provided, however, that Lessee will not permit the assignment of any equipment to service involving the regular operation and maintenance thereof outside of the United States of America except for temporary use in the Dominion of Canada in the ordinary interchange of traffic. Lessee shall not permit any liens, charges or encumbrances to be placed on or levied against the equipment other than liens, charges or encumbrances placed thereon by Lessor or by persons claiming against Lessor but not Lessee. Lessee agrees to procure and maintain in effect all licenses, certificates, permits and other approvals and consents required by federal, state, county, municipal, or foreign laws and regulations in connection with the possession, use, operation and maintenance of the equipment. Lessee shall not transfer possession of the equipment in any manner whatsoever without Lessor's prior written consent. Upon demand by Lessor, Lessee shall give Lessor written notice of the exact location of the equipment.

7. IDENTIFICATION MARKS - Lessee, at Lessee's expense, shall cause each unit of equipment to be kept numbered with its road number as set forth in the IER with respect thereto and will keep and maintain, plainly, distinctly, permanently and conspicuously marked by a plate or stencil printed in contrasting color upon each side of each unit of equipment in letters not less than one inch in height as follows:

> "Owned by a Lessor and subject to a Lease Agreement filed and recorded with the Interstate Commerce Commission pursuant to Section 11303 of the Revised Interstate Commerce Act"

with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the title of the Lessor to such unit of equipment, its rights under this lease and the rights of any assignee of Lessor hereof. The Lessee will not place any such unit of equipment in operation or exercise any control or dominion over the same until the required legend shall have been so marked on both sides thereof and will replace promptly any such names and word or words which may be removed, defaced or destroyed. The Lessee will not change the road number of any unit of equipment except with the consent of the Lessor and in accordance with a statement of new road numbers to be substituted therefor, which consent and statement previously shall have been filed with the Lessor by the Lessee and filed, recorded or deposited in all public offices where this lease shall have been filed, recorded or deposited.

Except as above provided, 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 with the names or initials or other insignia customarily used by Lessee on railroad equipment used by them of the

same or a similar type for convenience of identification. Lessee shall indemnify Lessor, and any assignee of Lessor hereof against any liability, loss or expense incurred by any of them as a result of the aforesaid marking of the equipment with such name, initials or insignia.

8. ALTERATIONS - Lessee shall not make any alterations, additions or improvements to the equipment without the prior written consent of Lessor. All such alterations, additions or improvements required as compliance with governmental laws and regulations shall become the property of Lessor, shall be free of all encumbrances, and for which Lessee shall provide a bill of sale to Lessor. The Lessee shall make no other additions or improvements to the equipment unless the same are readily removable without causing material damage to such equipment. Title to such readily removable additions or improvements shall remain with Lessee provided no Event of Default occurs. The equipment shall remain personal property regardless of whether it becomes affixed or attached to real property or permanently rests upon any real property or any improvement thereon.

9. MAINTENANCE AND REPAIR - Lessee, at its sole cost and expense shall (i) keep the equipment in good operating order, repair, condition and appearance and shall furnish any and all parts, mechanisms or devices required to keep the equipment in good mechanical and working order; (ii) maintain the equipment in a careful and proper manner and in compliance with all applicable laws, ordinances, rules, requirements and regulations including, without limitation, the rules of the United States Department of Transportation and the Interstate Commerce Commission and the current Interchange Rules, or supplements thereto, of the Mechanical Division, Association of American Railroads and all manufacturer's instructions and warranty requirements; (iii) pay for all fuel, service, inspections, overhauls, replacements, substitutions, materials and labor necessary or desireable for the proper use, repair, operation and maintenance of the equipment, and (iv) keep the equipment protected from the elements when not in use.

10. DELIVERY INSPECTION; ACCEPTANCE - Prior to execution of the IER, Lessee shall have made all necessary inspections and tests of the equipment referred to therein at Lessee's sole expense, to determine whether the equipment conforms to the specifications selected by Lessee. If the equipment is found to be acceptable, by Lessee, Lessee shall accept delivery of such equipment and execute and deliver to Lessor an IER and a Certificate of Inspection and Acceptance stating that such equipment has been inspected and accepted by Lessee on the date of such Certificate and is marked in accordance with Section 7 hereof, whereupon such equipment shall be deemed to have been delivered and accepted by Lessee and shall be subject thereafter to all the terms and conditions of the Lease. Lessee shall advise Lessor in writing at the time of execution of the IER, of any defect or objection to the type or condition of the equipment. Lessee's failure to advise Lessor of any defect or objection with respect to any item of equipment shall not establish the absence of any such defect in any equipment insofar as the manufacturer or supplier thereof is concerned. Upon execution of the IER by Lessee, the equipment shall be deemed to conform to Lessee's specifications, shall be deemed to conform to all applicable United States Department of Transportation and Interstate Commerce Commission requirements and specifications, if any, and to all applicable interchange requirements of the Association of American Railroads and shall be deemed to be in good condition and without defects. Lessee shall indemnify, exonerate

and save harmless Lessor from all claims, damages, actions, expenses (including attorneys' fees), any liabilities of any kind arising out of or connected with the failure or refusal of Lessee to accept, or the delay of Lessee in accepting the equipment.

11. INSPECTION; LESSEE REPORTS - Lessor shall at any time during normal business hours have the right to enter the premises where the equipment may be located for the purpose of inspecting and examining the equipment, its condition, use, and operation to ensure compliance by Lessee with its obligations under any lease made hereunder, notwithstanding that Lessor shall have no duty to inspect and shall not incur any liability or obligation by reason of not making any such inspection.

Lessee shall immediately notify Lessor of any accident connected with the use, operation or malfunction of the equipment, including in such report the time, place and nature of the accident, the damage caused to property, the names and addresses of persons injured and of witnesses, and such other information as may be pertinent to Lessor's investigation of such accident.

Lessee shall notify Lessor in writing within ten (10) days after any attachment, tax lien or other judicial process shall attach to any item of equipment.

Lessee shall, as soon as practicable after the close of each quarter and fiscal year of Lessee, furnish to Lessor copies of Lessee's financial reports prepared by it as of the close of the period ended, including Lessee's balance sheet and profit and loss statement, with said fiscal year reports certified to by a recognized firm of certified public accountants. Lessee also agrees to furnish Lessor during the term, promptly upon their availability, copies of all financial statements, reports, notices and of all regular and periodic reports filed by Lessee with principal securities exchange on which the common stock of Lessee is listed, if any, or with the Securities and Exchange Commission, including 10K and 10Q reports. Further, Lessee agrees to furnish Lessor from time to time such other information as Lessor may reasonably request.

12. WARRANTIES - LESSOR IS NOT A MANUFACTURER OF THE EQUIPMENT OR A DEALER IN SIMILAR EQUIPMENT AND HAS NOT INSPECTED THE EQUIPMENT PRIOR TO DELIVERY TO AND ACCEPTANCE BY LESSEE. LESSOR BY VIRTUE OF HAVING LEASED THE EQUIPMENT UNDER THIS LEASE OR BY VIRTUE OF ANY NEGOTIATIONS IN RESPECT TO THIS LEASE HAS NOT MADE AND DOES NOT MAKE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO CONDITIONS, QUALITY, DURABILITY, SUITABILITY, MERCHANTABILITY OR FITNESS FOR USE OR FITNESS FOR A PARTICULAR PURPOSE OR AS TO ANY OTHER WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT.

Lessee hereby waives any claim it might have against Lessor for any loss, damage or expense caused by the equipment or by any defect therein, use or maintenance thereof or servicing or adjustment thereto. During the period of any lease hereunder in which Lessee is not in default of its obligations, Lessor hereby assigns to Lessee any manufacturer or dealer warranty, whether express or implied, on the equipment covered by any lease

hereunder. All claims or actions on any warranty so assigned shall be made or prosecuted by Lessee, at its sole expense and Lessor shall have no obligation whatsoever to make any claim on such warranty. Any recovery under such a warranty shall be made payable to Lessor to the extent of the "Stipulated Loss Value"; for purposes of this Lease "Stipulated Loss Value" as of any date of computation is that percentage of equipment cost in the IER opposite that rental payment last received by Lessor. Lessor further authorizes Lessee to obtain whatever service to the equipment the manufacturer customarily renders, provided that no such service be at the expense of the Lessor.

13. INSURANCE - Simultaneously upon passage of risk of loss from the vendor, Lessee at its own expense shall maintain all risk physical loss insurance on the equipment as set forth in the IER pertaining thereto for the Stipulated Loss Value, and will maintain public liability and property damage liability insurance with respect to the equipment in an amount of not less than ten million dollars, single limit coverage, insuring against liability for death, bodily injury and property damage resulting from ownership, maintenance, use or operation of the equipment. Said insurance shall not require any contribution from any excess insurance applicable to the equipment carried by Lessor. Except as otherwise provided in any IER, all such insurance shall name Lessor and Lessee as insureds, shall be in amounts and with companies of nationally recognized standing. Said policies shall provide that they may not be altered or canceled by the insurer without thirty (30) days prior written notice to Lessor. Losses shall be paid to, Lessor and its assignee, if any, and to Lessee as their interests appear. Said insurance shall contain such endorsements as may be requested by Lessor. Lessee's obligation to keep the equipment insured as provided herein shall continue until said equipment is returned to Lessor.

Lessee shall furnish Lessor with all insurance policies or certificates, endorsements or renewals applicable to the equipment as soon as they become available to Lessee.

14. RISK, EVENT OF LOSS, CONDEMNATION - (a) RISK: Commencing at the time such risks pass to Lessor from the vendor of the equipment and continuing until the termination of this lease and the return by Lessee of the equipment to Lessor, Lessee assumes the entire risk of any Event of Loss as defined below or any liability of Lessor from any cause whatsoever and no such Event of Loss or liability shall relieve Lessee of its obligation hereunder.

(b) DEFINITION - EVENT OF LOSS: For purposes of this Section, an Event of Loss with respect to any equipment shall mean any of the following events with respect to such equipment: (i) the actual or constructive total loss of such equipment; (ii) such equipment shall become lost, stolen, destroyed, damaged beyond economic repair as determined by Lessee or permanently rendered unfit for intended use for any reason whatsoever; or (iii) the condemnation, confiscation or seizure of, or requisition of title to or use of such equipment.

(c) DEPRIVATION CONSTITUTING AN EVENT OF LOSS: Upon the occurrence of an Event of Loss, Lessee shall pay or cause to be paid in immediately available funds upon demand: (i) accrued rentals on a daily basis, if any, in respect of such equipment to the date of such Event of Loss, (ii) the Stipulated Loss Value computed as of the date of such Event of Loss, (iii) interest on the unpaid balance of said amount at the rate of 13% per annum or such lesser rate as may be permitted by applicable law from ten (10) days after the date of such Event of Loss to the date of receipt, and (iv) all other unpaid amounts due hereunder. At such time as Lessor has received the sum of (i), (ii), (iii) and (iv) above, the obligation of Lessee to pay rent hereunder with respect to such equipment shall terminate and Lessor will transfer to Lessee, without recourse or warranty, all of Lessor's right, title and interest, if any, in and to the equipment with respect to which such Event of Loss occurred.

(d) DEPRIVATION NOT CONSTITUTING AN EVENT OF LOSS: In the event of damage of any equipment not constituting an Event of Loss, Lessee shall promptly notify Lessor in writing of such damage, and shall remain obligated to make all payments of rent for the equipment which may become due hereunder in the same manner as if such damage had not occurred. Lessee shall repair and restore such equipment to the condition it was in immediately prior to the occurrence which gave rise to such payment. So long as no Event of Default shall have occurred and be continuing, all payments from insurance proceeds or otherwise with respect to any such damage shall be paid over to Lessee upon receipt of satisfactory evidence by Lessor that Lessee has repaired or contracted to repair such equipment. Should an Event of Default have occurred and be continuing, all such payments shall be paid over to and retained by Lessor.

(e) APPLICATION OF PAYMENTS: Upon the occurrence of any Event of Loss, Lessor shall be entitled to and shall receive the entire award, judgement, settlement, insurance proceeds or payments and all installments thereof to the extent of Lessee's obligations under 14(c) hereof, Lessee hereby assigns to Lessor any right or interest Lessee may have or may hereafter acquire in any such award or payment.

15. INDEMNITY - Lessee agrees to defend at its own cost and to indemnify and hold harmless Lessor, its agents and employees, from and against any and all loss, claims, patent infringements, costs, expenses, damage and liabilities (including reasonable attorneys' fees), however caused, resulting directly or indirectly in any manner from the issuance of Lessor's purchase order, assignment of Lessee's purchase order, ownership, purchase, delivery, lease, possession, return, disposition or directly or indirectly from or pertaining to the use, condition (including without limitation latent or other defects whether or not discoverable) or operation of the equipment or the performance of this lease (including without limitation such loss, claims, costs, expenses, damages and liabilities arising from the death or injury to agents or employees of Lessee or Lessor or any third person, or damage to the property of Lessee or Lessor, their agents or employees, or any third person, firm or corporation) except for such damages, losses, expenses or liabilities arising out of the gross negligence or willful misconduct of Lessor, its agent or employees. This indemnification shall survive the expiration or other termination of this lease for the benefit of and enforceable by the Lessor.

16. RETURN OF EQUIPMENT - Upon the expiration or earlier termination of any lease hereunder, Lessee, at its expense, shall deliver each item of equipment to Lessor or its designee, or to a subsequent lessee at such location designated by Lessor. At the time of delivery, each item of equipment shall be empty, free from residue, in the same good order and condition as when delivered to Lessee hereunder, normal wear and tear excepted, and in the condition and repair required according to the Interchange Rules of the Association of American Railroads. Lessee shall, on demand, reimburse Lessor for the expense of cleaning any item of equipment that contains residue or such other cost which may be incurred to place such item of equipment in the condition described above. If requested by Lessor, Lessee shall provide Lessor with free storage of the equipment, upon Lessee's storage tracks, for up to 180 days, and thereafter, will lease track space to Lessor at Lessee's standard track lease rate per month. Lessee will transport each item of equipment at any time within such 180 day period to any reasonable place on the lines of the railroad operated by Lessee or to any of the lines of the railroad operated by the Lessee or to any connecting carrier for shipment, all as directed by Lessor upon not less than thirty (30) days written notice to Lessee. All movement and storage of each such item of equipment is to be at the risk and expense of the Lessee. During any storage period, Lessee will permit Lessor or any person designated by it, including authorized representative or representatives of any prospective purchaser of any such unit of equipment to inspect the same. Lessee further agrees, at Lessor's request, to paint over Lessee's markings on the equipment and to place such other markings on the equipment as Lessor may designate, all in accordance with Lessee's normal painting procedures and at applicable AAR billing rates.

If any unit of equipment is not redelivered to Lessor or not delivered to a subsequent lessee on or before the date on which the term ends, or in the event that a unit of equipment so delivered is not in the condition required by this Section 16, Lessee shall pay rental for each day that such unit of equipment is not delivered as required herein or until such unit of equipment is delivered in the condition required, at the rental rate required under this lease prorated on a daily basis. Lessee shall pay Lessor on or before the last day of each month the amount Lessee is obligated to pay to Lessor for such month under this Section. In addition to any other indemnity provided herein and any payments to be made to Lessor hereunder, Lessee shall also indemnify and hold Lessor harmless from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, including those asserted by a subsequent lessee arising out of or as a result of such late delivery or failure to deliver in the condition required.

17. DEFAULTS, REMEDIES, DAMAGES -

(a) DEFAULTS: The following events shall constitute Events of Default:

(1) Lessee shall fail to make any payment to Lessor when due under this lease and such failure to pay shall continue for a period of ten (10) or more days; or

(2) There shall occur any termination of any insurance maintained by Lessee pursuant to this lease; or

(3) Lessee shall fail to perform or observe any other covenant, condition, or agreement to be performed or observed by it hereunder and such failure shall continue unremedied for a period of thirty (30) days after written notice thereof by Lessor; or

(4) Any representation or warranty made by Lessee herein or in any document or certificate furnished Lessor in connection herewith shall prove to be incorrect at any time in any material respect; or

(5) Any obligation of Lessee for the payment of borrowed money, for the deferred purchase price of property or for the payment of rent or hire under any lease shall not be paid when due, and results in acceleration or otherwise; or

(6) Lessee shall become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver; or a trustee or a receiver shall be appointed for Lessee or for a substantial part of its property without its consent and shall not be dismissed within a period of sixty (60) days; or bankruptcy, reorganization, or insolvency proceedings shall be instituted by or against Lessee, and, if instituted against Lessee, shall not be dismissed within a period of sixty (60) days.

(b) REMEDIES: Upon the occurrence of any Event of Default and at any time thereafter so long as the same shall be continuing, Lessor, at its option, may do one or more of the following with respect to any or all equipment.

(1) Proceed by appropriate court action or actions either at law or in equity, to enforce performance by Lessee of the applicable covenants of this lease and to recover damages for the breach thereof;

(2) Repossess with or without notice and sue for the rentals due hereunder as they accrue without notice and at Lessee's costs and expenses;

(3) Repossess and without terminating the lease hold the equipment until Lessee shall have comlied with all obligations under the lease;

(4) Repossess with or without notice and sell, relet,use, hold or otherwise dispose of the equipment;

(5) Without repossessing, declare all unpaid rentals immediately due and payable;

(6) Repossess and terminate the lease.

(c) DAMAGES: Lessor and Lessee agree that the measure of damages is impossible to determine in the absence of prior agreement. Therefore, the parties agree that as damages for the loss of a bargain and not as a penalty in the case of sale or reletting after repossession Lessor shall be entitled to:

(i) SALE: Where a sale has occurred, the deficiency between the Net Proceeds of Sale and the Stipulated Loss Value at the time of sale. Where a sale has not yet occurred, the excess of the Stipulated Loss Value at the time of determination over the Fair Market Sales Value.

(ii) RELETTING: Where a reletting has occurred, the deficiency between the aggregate rentals due under the reletting discounted at the greater of 7% per annum or Prime and the greater of (a) the Stipulated Loss Value at reletting, or (b) the aggregate unpaid lease rentals discounted at the greater of 7% per annum or Prime. Where a reletting has not yet occurred, the deficiency between the Aggregate Fair Market Rental Value discounted at the greater of 7% per annum or Prime and the greater of (a) the Stipulated Loss Value at time of determination, or (b) aggregate unpaid lease rentals discounted at the greater of 7% per annum or Prime.

(iii) In addition to that set out in (i) and (ii), Lessor shall be entitled to: (a) the unpaid rent from default until sale, reletting or determination by Lessor of damanges, and (b) interest on all amounts due including rent and damages from date due until payment at the maximum rate permitted by applicable law.

For purposes of this Section the following definitions apply:

(1) DISCOUNTED: Reduction to present value as of the date of sale, reletting or determination of damages, whichever is applicable, at the stated interest rate and at a frequency equal to the frequency of rental payments under this lease.

(2) AGGREGATE FAIR MARKET RENTAL OR AGGREGATE FAIR MARKET SALES VALUE: A value determined by a recognized independent appraiser selected by Lessor.

(3) NET PROCEEDS OF SALE: The gross consideration received by Lessor less all expenses associated directly or indirectly with sale including but not limited to refurbishing, repair, advertising, freights, financing costs.

(4) PRIME: Best rate then charged by The Chase Manhattan Bank of New York for 90-day loans to substantial commercial borrowers.

(d) Each and every power and remedy herein specifically given to Lessor, shall be in addition to every other power and remedy specifically so given or now or hereafter existing at law or in equity, and each and every power or remedy may be exercised from time to time or simultaneously and as often and in such order as may be deemed expedient by 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 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 acquiscence therein. In the event that Lessor shall bring any suit or action to enforce any of its rights hereunder, then in such suit or action Lessor may recover reasonable expenses, including attorneys' fees, and the amount thereof shall be included in such judgement.

Lessee hereby appoints Lessor, Lessee's irrevocable agent and attorney-in-fact to execute all documents deemed necessary to release, terminate and void Lessee's interest in any equipment leased hereunder and to file said documents for recordation with appropriate agencies provided that an Event of Default has occurred and Lessor in its discretion deems use of this agency necessary to effect any remedy Lessor chooses to take.

18. ASSIGNMENT BY LESSEE - Lessee shall not transfer, assign, pledge or hypothecate this lease, the equipment or any part thereof or any interest therein, without the prior written consent of Lessor which shall not be unreasonably withheld. Consent to any of the foregoing acts shall not be deemed to be consent to any subsequent similar act.

Nothing in this Section 18 shall be deemed to restrict the right of the Lessee to assign or transfer its leasehold interests under this Lease in the equipment or possession of the equipment to any Corporation into or with which the Lessee shall have become merged or consolidated or which shall have acquired or leased all or substantially all of the line of the railroad of the Lessee, provided that such assignee, successors or transferees shall have duly assumed the obligations of the Lessee hereunder and that they will not, upon the effectiveness of such merger or consolidation or acquisition of properties and the assumption of such obligations, be in default under any provisions of this Lease and such merger or consolidation or acquisition of properties shall not alter in any way the Lessee's obligations to the Lessor hereunder which shall be and remain those of a principal and not a guarantor.

19. ASSIGNMENT BY LESSOR - Lessor may assign, pledge or in any other way transfer this lease either in whole or in part, or any interest therein without notice to Lessee and Lessee shall execute such consents thereto as may be required by Lessor. Should this lease or any interest therein be assigned or should the rentals hereunder be assigned, no breach or default by Lessor of this lease or any other agreement between Lessee and Lessor shall excuse performance by Lessee of any provision hereof, and no assignee shall be obligated to perform any covenant, condition or obligation required to be performed by Lessor hereunder. The right of such assignee to receive the rentals or to receive the equipment upon termination of the lease shall be free of all defenses, setoffs and counterclaims which Lessee might now or hereafter be entitled to assert against Lessor.

20. OWNERSHIP BY LESSOR - The equipment is and shall at all times remain the sole and exclusive property of Lessor. The only interest Lessee shall have in the equipment is that of a Lessee hereunder.

21. SUSPENSION OF OBLIGATIONS OF LESSOR - The obligations of Lessor hereunder shall be suspended to the extent that it is hindered or prevented from complying therewith because of labor disturbances, including strikes and lockouts, acts of God, fires, storms, accidents, governmental regulations or interference or any cause whatsoever beyond the control of Lessor.

22. PROHIBITION AGAINST SETOFF, COUNTERCLAIM, ETC. - Lessee's obligation to pay all amounts due hereunder shall be absolute and unconditional and shall not be affected by any circumstance, including, without limitation (i) any setoff, counterclaim, defense, or other right which Lessee may have against Lessor, (ii) any defect in the title, condition, design, operation or fitness for use of, or any damage to or loss or destruction of, the equipment, or any interruption or cessation in the use of possession thereof by Lessee for any reason whatsoever, or (iii) any insolvency, bankruptcy, reorganization or similar proceedings by or against Lessee.

Lessee hereby waives, to the extent permitted by applicable law, any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit, or surrender this lease.

If for any reason whatsoever this lease shall be terminated in whole or in part by operation of law, except as specifically provided herein, Lessee nonetheless agrees to pay Lessor an amount equal to each installment of rent at the time such installment would have become due and payable in accordance with the terms hereof had this lease not been terminated in whole or in part. Each rent payment made by Lessee shall be final and Lessee will not seek to recover all or any part of such payment from Lessor for any reason whatsoever.

23. REPRESENTATION, WARRANTIES AND COVENANTS OF LESSEE - Lessee represents, warrants and covenants: (i) at the time Lessor becomes owner of the equipment, the equipment will be new and unused and not have been placed in service by Lessee; (ii) that it is a duly organized corporation with necessary power and qualifications to do business and to perform this lease and any exhibits thereto, (iii) that this lease has been duly authorized by all necessary corporate action and will not contravene or breach any legal, organizational or contractual regulation binding upon Lessee, (iv) that this lease constitutes a binding obligation enforceable in accordance with its terms, (v) that there are no suits or proceedings pending or threatened which may have an adverse effect on Lessee's financial condition or business, (vi) that no mortgage, deed of trust, charter, lease or other lien or security interest of any type, will attached to the equipment, (vii) that taxes due from Lessee have been paid and Lessee's financial condition is represented in financial statements dated December 31, 1978; (viii) the execution and delivery of this lease, and all documents entered into in connection with this lease have been duly authorized by all necessary corporate or other action and, except as provided under Section 11303 of the Revised Interstate Commerce Act, do not require the consent, approval or withholding of objection by any person, party or governmental agency and this Lease and such other documents constitute legal, valid and binding obligations of Lessee enforceable against Lessee in accordance with their respective terms; (ix) that Lessee will file and record this Lease with the Interstate Commerce Commission pursuant to Section 11303 of the Revised Interstate Commerce Act and deposit this Lease with the Registrar General of Canada pursuant to Section 86(1) of the Railway Act, and give notice of such deposit in the CANADA GAZETTE pursuant to such Section 86(2); and (x) that, no other filing, recording or depositing or, any notice thereof is necessary to protect the Lessor's title to the equipment in the United States of America and in Canada.

24. ATTORNEYS' FEES - In the event of any action at law or suit in equity in relation to this lease, Lessee, in addition to all other sums which Lessee may be called upon to pay, will pay to Lessor a reasonable sum for its attorneys' fees.

25. NOTICES - All notices required under the terms and provisions hereof shall be in writing and addresses (i) to Lessee:

Illinois Central Gulf Railroad Company

233 N. Michigan Avenue

Chicago, IL 60601

Attention: Treasurer

or at such other address as Lessee shall from time to time designate in writing to Lessor, or (ii) if to Lessor: Mitsui & Co., (U.S.A.), Inc., Transportation Machinery Department, 200 Park Avenue, New York, NY 10017, or at such other address as Lessor shall from time to time designate in writing to Lessee.

26. CONDITIONS PRECEDENT - As conditions precedent to Lessor's duties under this lease, Lessee shall furnish Lessor on or before the delivery of this lease the following: (a) an opinion of counsel verifying those representations set out in Section 23 (i) through (x) inclusive hereof, (b) certified copies of necessary resolutions and other documents authorizing this lease and Lessee's performance hereunder, and (c) such other documents as Lessor may require.

27. APPLICABLE LAW, MODIFICATIONS - This lease shall be governed by and construed according to the laws of the State of ~~California~~ New York. The terms hereof shall not be waived, varied, contradicted, explained, amended or changed in any other manner except by an instrument in writing of even or subsequent date hereto, executed by both parties.

28. RECORDING, REGISTRATION AND FILING - The Lessee agrees and covenants that prior to the delivery and acceptance of the first unit of equipment, Lessee will, at its sole expense, cause this lease to be duly filed, registered or recorded in conformity with Section 11303 of the Revised Interstate Commerce Act and be deposited with the Registrar General of Canada in accordance with Section 86(2) of the Railway Act and in other such places within or without the United States required by law or as Lessor may reasonably request and will furnish the Lessor proof of such filing, registration or recordation. In addition, Lessee will, as requested by Lessor, at Lessee's cost and expense, do and perform any other act and will execute, acknowledge, deliver, file and register, record and deposit (and will re-file, re-required by law in the United States or requested by Lessor (or any assignee of Lessor) including without limitation, financing statements under the Uniform Commercial Code (which, notwithstanding the intent of Lessor and Lessee that this is a true lease, Lessor shall have the right to file wherever and whenever Lessor requires), for the purpose of proper protection to the satisfaction of Lessor, (and/or of Lessor's assignee) of Lessor's title to any equipment (and/or of Lessor's assignee's security interest, if any, in any of the equipment) or for the purpose of carrying out the intention of this Lease and in connection with any such action will delivery to Lessor proof of such filings and an opinion of counsel that such action has been property taken. Lessee will also pay, or will upon demand, reimburse Lessor, for all of the reasonable out-of-pocket costs and expenses incurred by Lessor in connection with this Lease and/or Lessor's purchase of any of the equipment for lease hereunder, and for all fees and costs of any attorney specially retained by Lessor to take any action or proceeding to enforce the terms of this lease.

29. TIME - Time is of the essence hereof.

IN WITNESS WHEREOF, the parties hereto have caused this lease to be executed by their duly authorized officers on the day and year first written above.

LESSOR: MITSUI & CO., (U.S.A.), INC.

BY H. Yamaki

TITLE SENIOR VICE PRESIDENT

LESSEE: ILLINOIS CENTRAL GULF RAILROAD COMPANY

BY

TITLE VICE PRESIDENT

ATTEST:

BY Kaichi Yokoya

SEAL TITLE ASSISTANT SECRETARY

BY

SEAL TITLE SECRETARY

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

SUBSCRIBED AND SWORN TO BEFORE ME ON THIS 23rd DAY OF May, 1979: AT 200 PARK AVENUE, NEW YORK, N. Y. 10017, U. S. A.

Robert Brown

ROBERT BROWN
NOTARY PUBLIC, State of New York
No. 4621926, Qual. in Putnam Co.
Certificate filed in New York County
Commission Expires March 30, 1981

LEASE ADDENDUM NO. 1

In connection with that certain Lease Agreement dated as of the date hereof (the "Lease") between Mitsui & Co., (U.S.A.), Inc. as Lessor (the "Lessor") and Illinois Central Gulf Railroad Corporation as Lessee (the "Lessee") covering certain items of equipment ("Equipment") more fully described in the Individual Equipment Records ("IER") identified as Exhibit "A" thereto it is agreed that upon execution by the parties hereto, this Lease Addendum No. 1 shall constitute a part of said Lease.

Upon the expiration of the lease term with respect to each IER, provided that Lessee has paid all rentals and all other sums then due by Lessee to Lessor, or which would become due upon request of Lessor, as required under the provisions of this Lease, and provided that no Event of Default, and no event which with the giving of notice or lapse of time, or both, would constitute such an Event of Default, has occurred and then remains unremedied to Lessor's satisfaction, Lessee shall have the option, exercisable on at least 180 days prior written notice to Lessor, to renew the Lease term with respect to all, but not less than all of the equipment then subject to said Lease for one (1) additional term (herein called a "Renewal Term") of one year at a rental for such Renewal Term, at a rate that would be obtained in an arms-length transaction between an informed and willing prospective lessee and an informed and willing lessor under no compulsion to lease (said rate being herein called the "Fair Rental Rate").

If, on or before a date 135 days prior to the expiration of the lease term with respect to the first IER, Lessor and Lessee are unable to agree upon a determination of the Fair Rental Rate of the equipment, such Fair Rental Rate shall be determined in accordance with the procedure for Appraisal.

Appraisal shall mean a procedure whereby two recognized independent equipment appraisers, one chosen by Lessee and one by Lessor, shall mutually agree upon the amount in question. Lessor or Lessee, as the case may be, shall deliver a written notice to the other party appointing its appraiser within 15 business days after receipt from the other party of a written notice appointing that party's appraiser. If within 15 days after appointment of the two appraisers as described above, the two appraisers are unable to agree upon the amount in question, a third recognized independent appraiser shall be chosen within five days thereafter by the mutual consent of such first two appraisers, or if such first two appraisers fail to agree upon the appointment of a third appraiser, such appointment shall be made by an authorized representative of the American Arbitration Association or any organization successor thereto. The decision of the third appraiser so appointed and chosen shall be given within a period of ten (10) days after the selection of such third appraiser. The decision of the third appraiser shall be binding and conclusive on Lessor and Lessee. Lessee shall pay the fees and expenses of the appraisers.

The renewal rentals shall be payable on the same day of each rental period consistent with the rental payment dates of the original term of the Lease commencing with the first rental period after the expiration of the initial term and continuing until the expiration of the Renewal Term.

By Lessee's rental of the Equipment covered by the first IER entered into pursuant to said Lease, Lessee agrees that it shall thereafter lease, upon terms and conditions set forth herein, the remainder of the Equipment covered by said Lease.

Unless Lessee has leased the Equipment as set forth above, all the Equipment then leased shall be returned pursuant to Section 16 of the Lease.

Dated as of May 21, 1979.

LESSOR: MITSUI & CO., (U.S.A.), INC.

BY: H. Tamaki

ITS: SENIOR VICE PRESIDENT

LESSEE: ILLINOIS CENTRAL GULF RAILROAD COMPANY

BY: P B Stace

ITS: VICE PRESIDENT

(CORPORATE SEAL)

ATTEST

BY: Kaichi Yokoya

ITS: ASSISTANT SECRETARY

(CORPORATE SEAL)

ATTEST

BY: J. B. Foster

ITS: SECRETARY

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

SUBSCRIBED AND SWORN TO BEFORE ME ON THIS 23rd DAY OF May, 1979: AT 200 PARK AVENUE, NEW YORK, N. Y. 10017, U. S. A.

Robert Brown

ROBERT BROWN
NOTARY PUBLIC, State of New York
No. 4621926, Qual. in Putnam Co.
Certificate filed in New York County
Commission Expires March 30, 1981

LEASE ADDENDUM NO. 2

In connection with that certain Lease Agreement dated May 21, 1979 (the "Lease") between Mitsui & Co., (U.S.A.), Inc. as Lessor (the "Lessor") and Illinois Central Gulf Railroad Corporation, as Lessee (the "Lessee") covering certain items of equipment ("Equipment") more fully described in the Individual Equipment Records ("IER") identified as Exhibit "A" thereto, it is agreed that, upon execution by the parties hereto, this Lease Addendum No. 2 shall constitute a part of said Lease.

If for any taxable year of Lessor (or portion thereof) during which the Lease is in effect, Lessor (such term for the purpose of this Lease Addendum No. 2 meaning Lessor and the corporation with which Lessor consolidates its United States federal income tax returns) shall (i) lose any portion of the full 10% investment tax credit allowed by section 38 of the Internal Revenue Code of 1954 as amended to the date hereof (the "Code") for "new section 38 property" with respect to the purchase price paid by Lessor for any item of Equipment (or, except as provided in clause (c) of this paragraph, would lose such portion but for Lessor's failure to have sufficient liability for tax within the meaning of section 46 of the Code against which to credit such portion for the taxable year of Lessor in which such item of Equipment is placed in service), and/or (ii) lose the benefit of a depreciation deduction with respect to the purchase price paid by Lessor for any item of Equipment depreciated over a period of twelve years for such item of Equipment to a net salvage value of Ø, computed initially under the double-declining balance method of depreciation provided in section 167(b)(2) of the Code and then switching to the sum-of-the-years' digits method of depreciation provided by section 167(b)(3) of the Code and not less than 12 months of depreciation will be allowable to the Lessor with respect to the equipment for the taxable year ending December 31, 1979 (or, except as provided in clause (c) of this paragraph, would lose the benefit of such deduction if Lessor had sufficient gross income in the taxable year of the loss of such deduction against which to apply such deduction), as a result of any act, failure to act, omission or breach or inaccuracy of any representations or statement by Lessee of any nature whatsoever, the Lessee shall pay the Lessor (1) a sum which, after deduction of all taxes required to be paid by the Lessor in respect of the receipt of such sum under the laws of any Federal, state or local government or taxing authority in the United States, shall be equal to the amount of investment tax credit so lost (or which would have been lost had Lessor had sufficent liability for tax within the meaning of section 46 of the Code), (2) the amount of any interest and the amount of any penalities or additions to tax which may be payable to the United States Government by Lessor in connection with the loss of such investment credit, (3) with respect to each taxable year for which Lessor shall lose the benefit of a depreciation deduction indemnified against by Lessee hereunder, a sum which, after deduction of all taxes required to be paid by Lessor in respect of the receipt of such sum under the laws of any Federal, state, or local government or taxing authority in the United States shall be equal to the amount of any additional Federal income taxes required to be paid with respect to such year (or which would have been required to be paid by Lessor for such year had it had sufficient gross income within the meaning of section 61 of the Code to actually derive the benefit of such depreciation deduction) by reason of such loss of depreciation deduction (net of any savings in Federal

income taxes realized by Lessor by reason of Lessor not being required to include in its Federal gross income for the relevent period the full amount of rent paid by Lessee for such period) and (4) the amount of interest, penalties and additions to tax (including any additions to tax because of underpayment of estimated tax) which may be payable by Lessor to the United States Government in connection with the loss of such depreciation deduction, provided that the Lessee shall not be required to make any of the foregoing indemnity payments to the extent the loss of the investment tax credit and/or depreciation deduction is the direct result of: (a) any event whereby Lessee is required by the terms of the Lease to pay, and shall have paid in full the Stipulated Loss Value for such item of Equipment; (b) at any time while no Event of Default is continuing Lessor shall voluntarily transfer legal title in such Equipment to a third party; (c) the failure of Lessor to have sufficient liability for tax within the meaning of section 46 of the Code against which to credit such investment credit for such item of Equipment or to have sufficient gross income within the meaning of section 61 of the Code against which to apply such depreciation deduction (but only if and to the extent that such investment credit or depreciation deduction would not be lost if Lessor had sufficient liability for tax or sufficient gross income); and (d) the failure of Lessor to claim the investment tax credit and/or depreciation deduction in its income tax returns for the appropriate year or to follow the proper procedure in claiming such investment credit and/or depreciation deduction in such tax returns for such year, if such failure to claim or follow proper procedure shall preclude Lessor from claiming the investment credit and/or depreciation.

Except as otherwise provided in the immediate following paragraph, the liability of the Lessee to make any indemnity payments hereunder shall become fixed at the time Lessor makes payment of the tax attributable to the portion of the investment credit or depreciation deduction lost, or, if Lessor is not required to make payment of tax with respect to the portion of the investment tax credit or deduction lost, the date on which Lessor files its tax return for the taxable year in which such loss occurs, and shall be due and payable within 15 days after receipt by Lessee of written notice from Lessor as to the fixing of such liability. Lessee shall pay interest at the maximum rate permitted by law on any indemnity payment not made when due.

In the event a claim shall be made by the Internal Revenue Service, which, if successful, would result in the loss of the investment tax credit or depreciation under circumstances which would require the Lessee to indemnify the Lessor for such loss, the Lessor hereby agrees to take such action in connection with contesting such claim as the Lessee shall reasonably request, in writing, provided that: (i) within 30 days after notice of such claim by Lessor, the Lessee shall request that such claim be contested; (ii) Lessor, at its option, may forego any and all administrative appeals, proceedings, and conferences with the Internal Revenue Service and may, at its sole option, either pay the tax claimed and sue for a refund in the appropriate forum selected by Lessor or contest such claim in the United States Tax Court, considering, however, in good faith such request as the Lessee shall make concerning the appropriate forum in which the proceed; (iii) prior to taking such action, the Lessee shall have furnished the Lessor with an opinion of independent tax counsel, satisfactory to Lessor, to the effect that a meritorious defense exists to such claim; (iv) Lessee shall have indemnified Lessor in a manner satisfactory to it for any liability, loss, or expense which Lessor may incur as the result of contesting such claim; and (v) in the event Lessor shall pay the tax claimed and then seek a refund and the final determination of such claim shall be adverse to Lessor, Lessee shall

pay Lessor interest at the rate of 10% per annum on the amount of the tax paid attributable to the portion of the investment credit or depreciation deduction lost, computed from the day of payment of such tax to the date Lessee shall reimburse Lessor for the payment of such tax. In the case of any such claim by the Internal Revenue Service referred to above, Lessor agrees to promptly notify the Lessee in writing of such claim and agrees not to make payment of the tax claimed for at least 30 days after the giving of such notice and agrees to cooperate with Lessee in good faith in order to contest effectively any such claim. If any such claim shall be made by the Internal Revenue Service and Lessee shall have reasonably requested Lessor to contest such claim and shall have duly complied with all provisions of this paragraph, the Lessee's liability with respect to the investment credit or depreciation deduction lost as a consequence of such claim shall become fixed upon final determination of the liability of Lessor for the tax claimed and after giving effect to any refund obtained; but in all other cases the liability of Lessee shall become fixed and payable as provided in the immediate preceding paragraph.

The indemnification provided herein shall survive the expiration or other termination of the Lease.

Dated as of May 21, 1979.

LESSOR: MITSUI & CO., (U.S.A.), INC.

BY: H. Yamabi

ITS: SENIOR VICE PRESIDENT

LESSEE: ILLINOIS CENTRAL GULF RAILROAD COMPANY

BY: J B Stace

ITS: VICE PRESIDENT

(CORPORATE SEAL)

ATTEST

BY: Kaichi Yokoya

ITS: ASSISTANT SECRETARY

(CORPORATE SEAL)

ATTEST

BY: J B Dodd

ITS: SECRETARY

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

SUBSCRIBED AND SWORN TO BEFORE ME ON THIS 23rd DAY OF May, 1979: AT 200 PARK AVENUE, NEW YORK, N. Y. 10017, U. S. A.

Robert Brown

ROBERT BROWN
NOTARY PUBLIC, State of New York
No. 4621926, Qual. in Putnam Co.
Certificate filed in New York County
Commission Expires March 30, 1981

Mitsui & Company, (U.S.A.), Inc.

SCHEDULE A

To Lease Dated May 21, 1979

78 100-ton covered hopper cars, 4,750 cu. ft. capacity

Purchase Price - $2,964,421.20

Cars numbered ICG 766833 to 766910, both inclusive

ABH

EXHIBIT A

INDIVIDUAL EQUIPMENT RECORD

IER NO _____

Dated as of _____ to that Equipment Lease Agreement dated as of _____.

LESSOR Mitsui & Co., (U.S.A.), Inc.
200 Park Avenue
New York, NY 10017

LESSEE:

LOCATION OF EQUIPMENT:

ACCEPTANCE DATE:

New _____ Used _____	Purchase Order No. _____	Term: _____ year(s) _____ month(s) Commencing _____	Security Deposit: $ _____

Tax Capitalized or Exempt ☐ Tax Based on Rentals ☐ Remit with each Payment	**INSURANCE REQUIREMENTS:** ALL RISK: Stipulated loss value. LIABILITY: Bodily Injury $500,000 per person/$1,000,000 per accident; Property Damage $100,000.

RENTAL: $ _____ payable upon execution of this IER, to be applied to the _____ rental installment. Payment of the _____ through _____ rental installments shall commence on _____ and shall continue _____ thereafter on the _____ day of each _____, with each such rental installment to be in the amount of $ _____.

EQUIPMENT DESCRIPTION AND SERIAL NO.(s) (SEE ATTACHED INVOICES):

Equipment Description	Serial No.	Equipment Cost
Pullman Standard 4,750 cubic foot capacity covered hopper cars		

STIPULATED LOSS VALUES

PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST	PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST	PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST
Before Payment 1	101.4	45	99.9	90	83.5
After 1	101.7	46	99.9	91	83.4
2	102.0	47	99.9	92	83.2
3	102.2	48	99.9	93	83.0
4	102.5	49	99.9	94	82.8
5	102.7	50	99.8	95	82.6
6	102.9	51	99.8	96	82.4
7	103.1	52	99.8	97	82.2
8	103.3	53	99.7	98	82.0
9	103.5	54	99.7	99	81.8
10	103.7	55	99.7	100	81.6
11	103.8	56	99.6	101	81.4
12	104.0	57	99.6	102	81.2
13	103.3	58	99.5	103	81.0
14	103.4	59	99.5	104	80.8
15	103.5	60	99.4	105	80.6
16	103.6	61	93.2	106	80.3
17	103.7	62	93.1	107	80.1
18	104.0	63	93.0	108	79.9
19	103.9	64	93.0	109	79.6
20	104.0	65	92.9	110	79.4
21	104.0	66	92.8	111	79.2
22	104.1	67	92.7	112	78.9
23	104.2	68	92.6	113	78.7
24	104.3	69	92.5	114	78.4
25	104.3	70	92.4	115	78.2
26	104.4	71	92.3	116	77.9
27	104.4	72	92.2	117	77.7
28	104.5	73	92.1	118	77.4
29	104.5	74	92.0	119	77.1
30	104.6	75	91.9	120	76.9
31	104.6	76	91.8	121	76.6
32	104.7	77	91.6	122	76.3
33	104.7	78	91.5	123	76.1
34	104.7	79	91.4	124	75.8
35	104.8	80	91.2	125	75.5
36	104.8	81	91.1	126	75.2
37	99.8	82	91.0	127	74.9
38	99.8	83	90.8	128	74.6
39	99.9	84	90.7	129	74.3
40	99.9	85	84.3	130	74.0
41	99.9	86	84.2	131	73.7
42	99.9	87	84.0	132	73.4
43	99.9	88	83.9	133	73.1
44	99.9	89	83.7	134	72.8

STIPULATED LOSS VALUES

PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST	PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST	PAYMENT NO.	STIPULATED LOSS AS A PERCENT OF ORIGINAL COST
135	72.5	181	55.5	227	32.8
136	72.2	182	55.0	228	32.6
137	71.9	183	54.6	229	31.7
138	71.6	184	54.2	230	31.1
139	71.2	185	53.8	231	30.5
140	70.9	186	53.3	232	30.0
141	70.6	187	52.9	233	29.4
142	70.2	188	52.4	234	28.8
143	69.9	189	52.0	235	28.2
144	69.6	190	51.5	236	27.6
145	69.2	191	51.1	237	27.0
146	68.9	192	50.6	238	26.4
147	68.6	193	50.1	239	25.8
148	68.2	194	49.7	240	25.0
149	67.9	195	49.2	End of Term	
150	67.5	196	48.8	and Thereafter	25.0
151	67.2	197	48.3		
152	66.8	198	47.8		
153	66.5	199	47.4		
154	66.1	200	46.9		
155	65.7	201	46.4		
156	65.4	202	45.9		
157	65.0	203	45.4		
158	64.6	204	44.9		
159	64.3	205	44.4		
160	63.9	206	43.9		
161	63.5	207	43.4		
162	63.1	208	42.9		
163	62.8	209	42.4		
164	62.4	210	41.9		
165	62.0	211	41.4		
166	61.6	212	40.9		
167	61.2	213	40.4		
168	60.8	214	39.9		
169	60.4	215	39.3		
170	60.0	216	38.8		
171	59.6	217	38.3		
172	59.2	218	37.8		
173	58.8	219	37.2		
174	58.4	220	36.7		
175	58.0	221	36.1		
176	57.6	222	35.6		
177	57.2	223	35.0		
178	56.7	224	34.5		
179	56.3	225	33.9		
180	55.9	226	33.4		

SPECIAL CONDITIONS

The undersigned Lessor hereby leases to the undersigned Lessee, and the undersigned Lessee agrees to hire from Lessor the equipment described herein. The Lessee hereby acknowledges and agrees, respecting the equipment described herein:

(1) That Lessee has inspected the equipment fully and completely as to size, model, function and conformity to the purchase order,

(2) That the equipment is of a size, design, function and manufacturer selected by Lessee,

(3) That Lessee is satisfied that the same is suitable for its intended purposes and any special purposes of Lessee,

(4) LESSOR IS NOT A MANUFACTURER OF THE EQUIPMENT OR A DEALER IN SIMILAR EQUIPMENT AND HAS NOT INSPECTED THE EQUIPMENT PRIOR TO DELIVERY TO AND ACCEPTANCE BY LESSEE. LESSOR BY VIRTUE OF HAVING LEASED THE EQUIPMENT UNDER THIS LEASE OR BY VIRTUE OF ANY NEGOTIATIONS IN RESPECT TO THIS LEASE HAS NOT MADE AND DOES NOT MAKE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO CONDITIONS, QUALITY, DURABILITY, SUITABILITY, MERCHANTABILITY OR FITNESS FOR USE OR FITNESS FOR A PARTICULAR PURPOSE OR AS TO ANY OTHER WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT.

Lessor: Mitsui & Co., (U.S.A.), Inc.

By _____

Title _____

ATTEST:

By _____

SEAL Title _____

LESSEE: Illinois Central Gulf Railroad Company

By _____

Title _____

By _____

SEAL Title _____

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this 22nd day of May, 1979, before me personally appeared I. B. Hall, to me personally known, who, being by me duly sworn, says that he is a Vice President of ILLINOIS CENTRAL GULF RAILROAD 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.

Virginia N. Shanahan
Notary Public

[Notarial Seal]

My Commission expires May 4, 1980