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RECORDATION NO. _____ Filed & Recorder

NOV 9 1972 - 9 45 AM

LEASE AGREEMENT

THIS AGREEMENT made this 3rd day of November, by and between PULLMAN INCORPORATED (Pullman-Standard Division) (hereinafter called the Manufacturer) and BURLINGTON NORTHERN INC. (hereinafter called the Purchaser)

WITNESSETH:

The Manufacturer and the Purchaser heretofore entered into a Purchase Agreement comprised of Purchaser's purchase order number BUR-E-00-2760-2 dated September 27, 1972 and Manufacturer's Acceptance thereof dated October 4, 1972 (Manufacturer's Lot 9613) whereunder the Purchaser agreed to purchase and pay for the following railroad equipment (hereinafter called Cars):

70-Ton 50'6" Outside Post Box Cars equipped with 10'0" Plug Door and Cushioned Underframe, numbered BN 321000 - 321499, both inclusive.

Purchase Agreement is by reference made a part of this Agreement as fully as though expressly set forth herein.

Delivery of the Cars is scheduled to begin week of November 6, 1972. However, inasmuch as the Purchaser has not as yet consummated financing arrangements, it is not in position to accept delivery of and pay for the Cars under the terms of the Purchase Agreement at this time. The Purchaser represents that such financing arrangements will be consummated, however, on or before January 3, 1973. The Purchaser, in order that it may use the Cars pending completion of the above financing arrangements, has arranged with the Manufacturer to give it temporary custody and possession of the Cars upon their completion, solely as a lessee of such Cars, and the Manufacturer is willing to do so upon the terms and conditions hereinafter stated.

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Manufacturer hereby leases said Cars to the Purchaser, and the Purchaser hereby hires from the Manufacturer the Cars and each of them as of the date each of them is delivered to the Purchaser, for the period ending not later than January 3, 1973, said date being the Termination Date.

After the Purchaser's representative finds that each Car upon completion has been built in accordance with the requirements of the Purchase Agreement, he will execute and deliver to the Manufacturer at its plant a Certificate of Inspection and a Certificate of Acceptance in form acceptable to the Manufacturer, certifying to that effect. Title to the Cars shall remain in the Manufacturer and the Purchaser's right and interest therein is and shall be solely that of possession, custody and use as lessee under this Agreement. Transfer of title shall be effected only at the time of delivery of the bills of sale. The Purchaser, without expense to the Manufacturer, will promptly cause this Agreement to be filed with the Interstate Commerce Act. In addition, the Purchaser shall do such other acts as may be required by law, or reasonably requested by the Manufacturer, for the protection of the Manufacturer's title to and interest in the Cars.

The Purchaser agrees that it will permit no liens of any kind to attach to the Cars; and that it will

- (a) indemnify and save harmless the Manufacturer from any and all claims, expenses or liabilities of whatsoever kind; and
- (b) pay any and all taxes, fines charges and penalties

that may accrue or be assessed or imposed upon the Cars of the Manufacturer because of its ownership or because of the use, operation, management of handling of the Cars by the Purchaser during the term of this lease. The Purchaser's obligations contained in this paragraph shall survive the termination by mutual agreement or otherwise of this Agreement.

The Purchaser will, at its own expense, keep and maintain the Cars in good order and running condition and will at its option repair or replace or promptly pay to Manufacturer the purchase price in cash of those Cars which may be damaged or destroyed by any cause during the term of this Agreement. If payment is made in cash for a damaged or destroyed Car as aforesaid, rental for such Car shall cease to accrue at the time of such payment. Upon the expiration or other termination of this Agreement, the Purchaser will surrender and deliver up the Cars in good order and running condition to the Manufacturer free of all charges at the point designated by the Manufacturer.

Prior to the delivery of each Car to the Purchaser, it will be numbered with a car number as hereinbefore indicated, and there shall be plainly, distinctly, permanently, and conspicuously placed and fastened upon each side of each Car a metal plate bearing the following legend, or such legend shall be otherwise plainly, distinctly, permanently, and conspicuously marked on each side of each Car, in either case in letters not less than one inch in height:

OWNED BY A BANK OR TRUST COMPANY UNDER A
SECURITY AGREEMENT FILED UNDER THE INTERSTATE
COMMERCE ACT, SECTION 20C.

The Purchaser hereby agrees to indemnify the Manufacturer against any liability, loss, or expense incurred by it as a result of the placing and fastening of the aforementioned plates or markings on said Cars.

In case, during the continuance of this Agreement, such name plate or mark shall at any time be removed, defaced, or destroyed on any Car, the Purchaser shall immediately cause the same to be restored or replaced.

All or any of the rights, benefits or advantages of the Manufacturer, including the right to receive payment of the rental provided for herein, or Purchase Agreement, may be assigned by Manufacturer and reassigned by any assignee at any time or from time to time, provided, however, that no such assignment shall subject any such assignee to any of Manufacturer's guarantees, warranties, indemnities, or any other obligations contained in this Agreement or in the Purchase Agreement relating to the Cars. In the event Manufacturer assigns its rights to receive the payments herein and/or under the Proposal, and the Purchaser receives written notice thereof from the Manufacturer, together with a counterpart of such assignment stating the identity and the post office address of the assignee, all payments thereafter to be made by the Purchaser under this Agreement shall, to the extent so assigned, be made to the assignee against proper receipt therefor in form satisfactory to the Purchaser.

In the event of any assignment of the Manufacturer of its rights to receive any payments under this Agreement or under the Purchase Agreement, the rights of such assignee to such payments as may be assigned together with any other rights hereunder which can be and are so assigned, shall not be subject to any defense, set-off, counterclaim, or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Purchaser by the Manufacturer. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Purchaser, its successors and assigns

only against the Manufacturer and its successors and assigns (other than assignees as such of rights, benefits or advantages assigned pursuant to this Agreement).

The Purchaser agrees with the Manufacturer that the execution by the Manufacturer of this Agreement or the delivery by the Manufacturer to the Purchaser of the Cars, as contemplated by this Agreement, shall not relieve the Purchaser of its obligations to accept, take, and pay for the Cars in accordance with the terms of the Purchase Agreement, or impair any of the Manufacturer's rights under the Purchase Agreement.

PULLMAN INCORPORATED
(Pullman-Standard division)

BY MR Bock
(Title)
Vice President

ATTEST:

William O. Edridge
Assistant Secretary

BURLINGTON NORTHERN INCORPORATED

BY Frank H. Coyne
As its (Title)
Vice President

ATTEST:

Secretary
Secretary

STATE OF ILLINOIS)
)
COUNTY OF COOK)

On this 3rd day of November, 1972, before me personally appeared Mr. R. Bock to me personally known, who, being by me duly sworn, says that he is a Vice President of Pullman-Standard, a division of Pullman Incorporated, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Richard A. Moberg
Notary Public

RICHARD A. MOBERG
Notary Public, Chicago, Cook County
My Commission Expires March 31, 1974

My Commission Expires: _____

(Seal)

