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INTERSTATE COMMERCE COMMISSION

TRUST INDENTURE AND MORTGAGE

This TRUST INDENTURE AND MORTGAGE dated as of August 1, 1975, between HARRIS TRUST AND SAVINGS BANK, an Illinois corporation, as owner trustee under the Trust Agreement referred to below (herein called the "Owner Trustee"), and CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association, as indenture trustee hereunder (herein called the "Indenture Trustee").

This Trust Indenture and Mortgage Witnesseth, that, to secure the prompt payment of the principal and interest and all other amounts due to the Lenders hereunder and the performance and observance by the Owner Trustee of all its agreements, covenants and provisions herein for the benefit of the Lenders contained, and for the uses and purposes and subject to the terms and provisions hereof, and in consideration of the premises and of the covenants herein contained, and for other good and valuable consideration the receipt of which is hereby acknowledged;

GRANTING CLAUSE

A. The Owner Trustee by these presents does grant, bargain, sell, release, convey, set over, assign, transfer, mortgage, hypothecate, pledge, confirm and create a security interest in, unto the Indenture Trustee, its successors and assigns, the following described property, rights and privileges (all being included in the Trust Estate), to wit:

(1) The Equipment as defined in Section 1.01 hereof;

(2) All the estate, right, title and interest of the Owner Trustee in and to the Lease, including, without limitation, all amounts of rent, insurance proceeds and requisition, indemnity and other payments of any kind, and including all rights of the Owner Trustee (excluding, however, the rights of the Owner under the final paragraph of § 10 of the Lease) to execute any election or option or to make any decision or determination or to give any notice, consent, waiver or approval under or in respect of the Lease or to accept any sur-

render of the Equipment or any unit thereof or any part thereof, as well as all rights, powers or remedies on the part of the Owner Trustee, whether arising under the Lease or by statute or at law or in equity, or otherwise, arising out of any Event of Default by the Lessee under the Lease; the Lease is pledged hereunder by the below assignment;

(3) All the estate, right, title and interest of the Owner Trustee in and to the Manufacturing Agreement and the assignments of the Bills of Sale assigned below to the Indenture Trustee;

(4) All the tolls, rents, issues, profits, products, revenues and other income of the property subjected or required to be subjected to the lien of this Trust Indenture, and all the estate, right, title and interest of every nature whatsoever of the Owner Trustee in and to the same and every part thereof; and

(5) All proceeds of the foregoing.

Concurrently with the delivery hereof, the Owner Trustee is delivering to the Indenture Trustee executed counterparts of the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale.

B. To have and to hold all and singular the aforesaid property unto the Indenture Trustee, its successors and assigns, in trust for the benefit and security of the Lenders without any priority of any one Lender over any other, except as herein otherwise expressly provided, and for the uses and purposes and subject to the terms and provisions set forth in this Trust Indenture.

C. In order to effectuate the foregoing and to secure payment, performance and observance, for the same consideration as set forth above, the Owner Trustee has transferred, assigned, granted, bargained, sold, conveyed, set over, mortgaged, hypothecated and pledged, and does hereby transfer, assign, grant, bargain, sell, convey, set over, mortgage, hypothecate and pledge, to the Indenture Trustee, its successors and assigns, in the trust hereby created for the security and benefit of the Lenders, the Equipment. The security interest created by the foregoing assignment attaches upon the delivery of the Equipment under the Manufacturing Agreement.

D. In order to effectuate the foregoing and to secure payment, performance and observance, for the same consideration as set forth above, the Owner Trustee has sold, assigned, transferred and set over and does hereby sell, assign, transfer and set over unto the Indenture Trustee, and its successors and assigns, in the trust hereby created for the security and benefit of the Lenders, all the estate, right, title and interest of the Owner Trustee under, in and to (i) the Lease (excluding, however, the rights of the Owner under the final paragraph of § 10 of the Lease), (ii) all moneys and claims for moneys due and to become due to the Owner Trustee, and all claims for damages, in respect of any Casualty Occurrence with respect to the Equipment, and all other payments of any kind, and (iii) the Manufacturing Agreement and the assignments of the Bills of Sale. The security interest created by the foregoing assignment attaches upon the delivery hereof.

E. It is expressly agreed that anything herein contained to the contrary notwithstanding, the Owner Trustee shall remain liable under the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale to perform all of the obligations assumed by it thereunder all in accordance with and pursuant to the terms and provisions thereof, and the Indenture Trustee shall have no obligation or liability under the Lease by reason of or arising out of the assignment hereunder, nor shall the Indenture Trustee be required or obligated in any manner to perform or fulfill any obligations of the Owner Trustee under or pursuant to the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale or, except as herein expressly provided, to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by it, or present or file any claim, or take any action to collect or enforce the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

F. The Owner Trustee does hereby constitute the Indenture Trustee the true and lawful attorney of the Owner Trustee, irrevocably, with full power (in the name of the Owner Trustee or otherwise) to ask, require, demand, receive, compound and give acquittance for any and all moneys and claims for moneys due and to become due under or arising out of the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any pro-

ceedings which the Indenture Trustee may deem to be necessary or advisable in the premises.

G. The Owner Trustee agrees that at any time and from time to time, upon the written request of the Indenture Trustee, the Owner Trustee will promptly and duly execute and deliver any and all such further instruments and documents as the Indenture Trustee may deem desirable in obtaining the full benefits of the assignment hereunder and of the rights and powers herein granted.

H. The Owner Trustee does hereby warrant and represent that it has not assigned or pledged, and hereby covenants that it will not assign or pledge, so long as the assignment hereunder shall remain in effect, any of its right, title or interest hereby assigned, to anyone other than the Indenture Trustee, and that it will not, except as provided in this Trust Indenture, enter into any agreement amending or supplementing the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale, settle or compromise any claim against the Lessee arising under the Lease, the Manufacturing Agreement and assignments of the Bills of Sale, or submit or consent to the submission of any dispute, difference or other matter arising under or in respect of the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale, to arbitration thereunder.

I. The Owner Trustee does hereby ratify and confirm the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale, and acknowledges the existence of the Bills of Sale and does hereby agree that it will not, except as provided in Article VIII hereof, take or omit to take any action, the taking or omission of which might result in an alteration or impairment of the Lease or the assignment hereunder or of any of the rights created by the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale or the assignment hereunder.

Upon Condition that, unless an Indenture Default has occurred and is continuing, the Owner Trustee shall be permitted to possess and use the Equipment and, with the consent of the Indenture Trustee, to exercise all rights with respect thereto and under the documents referred to above, and to receive and use the tolls, rents, issues, profits, products, revenues and other income of the Equipment except to the extent the same is required to be paid over to the Indenture Trustee pursuant to the provisions hereof.

It is Hereby Convenanted and Agreed by and between the parties hereto as follows:

ARTICLE I

Definitions

SECTION 1.01. For all purposes of this Trust Indenture the following terms shall have the following meanings (such definitions to be equally applicable to both the singular and plural forms of the terms defined):

"Equipment" shall mean the units of new, standard gauge railroad equipment described in Annex A attached hereto and, prior to the inclusion thereof in such units of railroad equipment, the parts covered by the Bills of Sale (and the assignments thereof to the Owner Trustee) and the articles, supplies, materials and parts acquired by the Contractor, as independent contractor under the Manufacturing Agreement on behalf of the Owner Trustee.

"Indenture Default" shall mean any event or condition described in Section 4.01(a) hereof.

"Investor" shall mean and include the Owner and each Lender.

"Lease" shall mean that certain restated Lease of Railroad Equipment dated as of the date hereof between the Owner Trustee and the Lessee, substantially in the form annexed to the Participation Agreement as Exhibit B, as from time to time supplemented or amended, or the terms thereof waived or modified, to the extent permitted by, and in accordance with, the terms of this Trust Indenture, which Lease has been assigned by the Owner Trustee to the Indenture Trustee as provided in the Granting Clause hereof.

"Lease Default" shall mean any of the events or conditions defined as an Event of Default in the Lease.

"Lender" shall mean and include each of the institutions listed in Schedule A to the Participation Agreement as a Lender, and their respective successors and assigns.

"Lessee" or "Contractor" shall mean Illinois Central Gulf Railroad Company and its successors and assigns as Lessee under the Lease and as Contractor under the Manufacturing Agreement.

"Majority in Interest of Investors" as of any particular date of determination shall mean (i) Lenders having interests in the Trust Estate in a principal amount in excess of 66-2/3% of the principal amount of the interests of all the Lenders in the Trust Estate, if any, as of such date and (ii) the Owner; provided, however, that during any period during which an Indenture Default (or any event or condition which after notice or lapse of time or both would constitute an Indenture Default) shall have occurred and be continuing, "Majority in Interest of Investors" shall not include the Owner, except with respect to giving any instructions or requests or taking any action or refraining from taking any action with respect to any unit of Equipment which has been settled for under the Manufacturing Agreement but which has not been financed in part by funds made available by the Lenders to the Indenture Trustee on a Lenders' Closing Date (as defined in the Participation Agreement) under the Participation Agreement.

"Majority in Interest of Lenders" as of any particular date of determination shall mean Lenders having interests in the Trust Estate in a principal amount in excess of 66-2/3% of the principal amount of the interests of all the Lenders in the Trust Estate as of such date.

"Manufacturing Agreement" shall mean that certain restated Manufacturing Agreement dated as of the date hereof between the Contractor and the Owner Trustee, substantially in the form annexed to the Participation Agreement as Exhibit A, as from time to time supplemented or amended, or the terms thereof waived or modified to the extent permitted by, and in accordance with, the terms of this Trust Indenture, which Manufacturing Agreement has been assigned by the Owner Trustee to the Indenture Trustee as provided in the Granting Clause hereof.

"Mortgaged Property" shall have the meaning ascribed in Section 4.01(b) hereof.

"Owner" shall mean and include Chase Manhattan

Realty Leasing Corporation and any other person to which the Owner transfers its right, title and interest in and to this Trust Agreement, the Estate and the Participation Agreement in accordance with Section 8.01 of the Trust Agreement, and their respective successors and assigns.

"Participation Agreement" shall mean that certain restated Participation Agreement dated as of the date hereof among the Lessee, the Owner Trustee, the Indenture Trustee, the Owner and the Lenders listed in Schedule A thereto, substantially in the form annexed hereto as Exhibit A, as from time to time supplemented or amended, or the terms thereof waived or modified, to the extent permitted by, and in accordance with, the terms thereof.

"Trust Agreement" shall mean that certain restated Trust Agreement dated as of the date hereof among the Owner and the Owner Trustee, substantially in the form annexed to the Participation Agreement as Exhibit C, as from time to time supplemented or amended, or the terms thereof waived or modified, to the extent permitted by, and in accordance with, the terms thereof.

"Trust Estate" shall mean all estate, right, title and interest of the Indenture Trustee in and to the Equipment, the Lease and the Manufacturing Agreement, including, without limitation, all amounts of rent, insurance proceeds and requisition, indemnity or other payments of any kind payable to the Indenture Trustee for or with respect to the Equipment or under any of such documents and all amounts payable to the Indenture Trustee pursuant to § 17(b) of the Lease.

"Trust Office" shall mean the principal corporate trust office of the Indenture Trustee at 231 South La Salle Street, Chicago, Illinois 60693, attention of Corporate Trust Department, or the principal corporate trust office of any successor Indenture Trustee.

SECTION 1.02. For all purposes of this Trust Indenture the following terms shall have the meanings defined in the Lease: "Casualty Occurrence", "Casualty Value" and "Event of Default".

SECTION 1.03. For all purposes of this Trust Indenture the following terms shall have the meanings defined in the Trust Agreement: "Bills of Sale", "Business Day" and

"Estate".

ARTICLE II

Interests of Lenders in Trust Estate; Payment of Principal and Interest to Lenders

SECTION 2.01. Each Lender shall have an interest in the Trust Estate in a principal amount equal to the principal amounts made available to the Indenture Trustee pursuant to Paragraph 1 of the Participation Agreement, less any principal payments made to such Lender pursuant to this Trust Indenture. Such principal amount will be payable in 60 consecutive quarterly instalments, calculated as hereinafter provided, on each of the quarterly anniversaries in each year of the final Lenders' Closing Date under the Participation Agreement, commencing the first such quarterly anniversary (or if any such date is not a Business Day, on the next succeeding Business Day), each such date being herein called a "Payment Date", and shall bear interest from the date such principal amount is made available to the Indenture Trustee pursuant to Paragraph 1 of the Participation Agreement on the unpaid principal amount thereof from time to time outstanding, payable to the extent accrued, on January 30, 1976, on the final Lenders' Closing Date under the Participation Agreement and on each Payment Date thereafter at the rate of 10-1/2% per annum. Instalments of principal shall be calculated on such a basis that the amount and allocation of principal and interest payable on each Payment Date shall be substantially in proportion to the amount and allocation of principal and interest payable on such Payment Date set forth in Schedule I hereto. All principal and interest remaining unpaid after the same shall have become due and payable will bear interest at the rate of 11-1/2% per annum. Interest shall be determined on the basis of a 360-day year of twelve 30-day months. All payments of principal and interest shall be made in such coin or 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.

SECTION 2.02. All payments to be made by the Indenture Trustee under this Trust Indenture shall be made only from the income and the proceeds from the Trust Estate and only to the extent that the Indenture Trustee shall have sufficient income or proceeds from the Trust Estate to make such payments in accordance with the terms of Article III hereof. Each Lender, by its execution and delivery of the Participa-

tion Agreement, individually agrees that it will look solely to the income and proceeds from the Trust Estate to the extent available for distribution to it as herein provided and that, except as specifically provided herein, neither the Owner, the Owner Trustee nor the Indenture Trustee is personally liable to any Lender for any amounts payable hereunder.

SECTION 2.03. All payments to be made by the Indenture Trustee hereunder shall (subject to timely receipt by the Indenture Trustee of available funds) be made by check mailed to each Lender or its nominee on the date such payment is due or, upon written request of such Lender, by bank wire to the account of such Lender or its nominee at such banking institution as may be specified to the Indenture Trustee in writing.

SECTION 2.04. In the case of payments to a Lender, each payment on account of interest only or of principal and interest shall be applied, first, to the payment of accrued interest to the date of such payment and, second, to the payment of such Lender's interest in the principal instalments due hereunder in the order of maturity thereof until the same shall have been paid in full.

SECTION 2.05. A Lender shall have no further interest in, or other right with respect to, the Trust Estate when and if the principal, interest and all other sums payable to such Lender hereunder, under the Lease and under the Participation Agreement shall have been paid in full.

ARTICLE III

Receipt, Distribution and Application of Income from the Trust Estate

SECTION 3.01. Except as otherwise provided in Section 3.03 hereof, each payment of rent pursuant to § 3 of the Lease as well as any payment of interest on overdue instalments of such rent received by the Indenture Trustee at any time shall be distributed by the Indenture Trustee on the date such payment is due from the Lessee (or as soon thereafter as such payment shall be received by the Indenture Trustee) in the following order of priority: first, so much of such payment as shall be required to pay in full the aggregate amount of the payments then due hereunder to the Lenders shall be distributed to the Lenders ratably, without priority of one over the other, in the proportion that the

amount of such payment or payments then due hereunder to each Lender bears to the aggregate amount of the payments then due hereunder to all Lenders; and, second, the balance, if any, of such payment remaining thereafter shall be distributed to the Owner.

SECTION 3.02. (a) Except as otherwise provided in Section 3.03 hereof, any payment received by the Indenture Trustee pursuant to the second paragraph of § 7 of the Lease as the result of a Casualty Occurrence shall in each case be distributed forthwith upon receipt by the Indenture Trustee in the following order of priority: first, so much of such payment as shall be required to prepay in full, without premium or penalty, the aggregate unpaid principal amount of the investments made by the Lenders under the Participation Agreement with respect to the Equipment suffering the Casualty Occurrence, plus the accrued but unpaid interest on such principal amount to the date of distribution, shall be distributed to the Lenders, ratably, without priority of one over the other, in the proportion that the unpaid principal amount of the investments made by each Lender, plus the accrued but unpaid interest thereon to the date of distribution, bears to the aggregate unpaid principal amount of the investments made by all Lenders, plus the accrued but unpaid interest thereon to the date of distribution; and, second, the balance, if any, of such payment remaining thereafter shall be distributed to the Owner.

(b) Except as otherwise provided in Section 3.03 hereof, any payment received directly or through the Lessee pursuant to the final paragraph of § 7 of the Lease as condemnation or similar payments or the payment of insurance proceeds with respect to any unit of Equipment as a result of a Casualty Occurrence, to the extent such payment is not at the time required to be paid to the Lessee pursuant to said § 7, shall, except as otherwise provided in the second sentence of this Section 3.02(b), be distributed forthwith upon receipt by the Indenture Trustee in the order of priority set forth in Section 3.02(a) hereof. Any portion of any payment referred to in the first sentence of this Section 3.02(b) which is not required to be paid to the Lessee pursuant to § 7 of the Lease solely because the Lessee shall not have paid to the Indenture Trustee the Casualty Value with respect to the unit of Equipment suffering the Casualty Occurrence shall be held by the Indenture Trustee as security for the obligations of the Lessee under the Lease, and at such time as the aforesaid Casualty Value shall have been paid, such portion shall be paid to the Lessee, unless the Indenture

Trustee shall have theretofore declared the Lease to be in default pursuant to § 10 thereof, in which event such portion shall be distributed forthwith upon such declaration in accordance with the provisions of Section 3.03(a) hereof.

SECTION 3.03. (a) All payments received and amounts realized by the Indenture Trustee after an Indenture Default shall have occurred and be continuing and, if such Indenture Default is also a Lease Default, after the Indenture Trustee has declared the Lease to be in default pursuant to § 10 thereof or, if such Indenture Default is not a Lease Default, after the Indenture Trustee or a Majority in Interest of Lenders has declared the unpaid principal amounts of the investments made by the Lenders pursuant to the Participation Agreement to be due and payable pursuant to Section 4.01(d) hereof (including any amounts realized by the Indenture Trustee from the exercise of any remedies pursuant to § 10 of the Lease), as well as all payments or amounts then held or thereafter received by the Indenture Trustee as part of the Trust Estate while such Indenture Default shall be continuing (but in any event excluding all payments received and amounts realized or held by the Indenture Trustee with respect to any unit of Equipment which has been settled for under the Manufacturing Agreement but which has not been financed in part by funds made available by the Lenders to the Indenture Trustee on a Lenders' Closing Date under the Participation Agreement), shall be distributed by the Indenture Trustee in the following order of priority: first, so much of such payments or amounts as shall be required to reimburse the Owner Trustee and/or the Indenture Trustee for any tax, expense, fees or other loss (including any tax, expense, fees or other loss required to be indemnified by the Lessee pursuant to § 6 or § 9 of the Lease) incurred by the Owner Trustee and/or the Indenture Trustee (to the extent not otherwise reimbursed and to the extent incurred in connection with their duties as Owner Trustee and Indenture Trustee, respectively) shall be applied by the Indenture Trustee as between itself and the Owner Trustee; second, (i) so much of such payments or amounts remaining as shall be required to reimburse the Lenders for payments made to the Indenture Trustee pursuant to Section 5.03 hereof or Paragraph 9 of the Participation Agreement shall be distributed to the Lenders ratably, without priority of one over the other, in accordance with the amount of the payment or payments made by each of them pursuant to said Section 5.03 or said Paragraph 9, and (ii) so much of such payments or amounts remaining as shall be required to pay to the Lenders any amounts owed to them pursuant to the provisions of §§ 6 or 9 of the Lease shall be distributed to each Lender entitled

thereto; and in case the aggregate amount so to be paid to all Lenders in accordance with clauses (i) and (ii) above shall be insufficient to pay all such amounts as aforesaid, then, ratably, without priority of one Lender over another; third, so much of such payments or amounts remaining as shall be required to pay in full the aggregate unpaid principal amount of the investments made by the Lenders under the Participation Agreement, plus the accrued but unpaid interest thereon to the date of distribution, shall be distributed to the Lenders ratably, without priority of one over the other, in the proportion that the aggregate unpaid principal amount of the investments made by each Lender, plus the accrued but unpaid interest thereon to the date of distribution, bears to the aggregate unpaid principal amount of the investments made by all Lenders, plus the accrued and unpaid interest thereon to the date of distribution; and, fourth, the balance, if any, of such payments or amounts remaining thereafter shall be distributed to the Owner.

(b) All payments received and amounts realized by the Indenture Trustee after an Indenture Default (or an event or condition which after lapse of time or both would become an Indenture Default) shall have occurred and be continuing but prior to the Indenture Trustee having declared the Lease to be in default pursuant to § 10 thereof or the Indenture Trustee or a Majority in Interest of Lenders having declared the unpaid principal amounts of the investments made by the Lenders pursuant to the Participation Agreement to be due and payable pursuant to Section 4.01(d) hereof, as well as all payments or amounts then held or thereafter received by the Indenture Trustee as part of the Trust Estate while such Indenture Default (or other event or condition) shall be continuing but prior to such declaration (but in any event excluding all payments received and amounts realized or held by the Indenture Trustee with respect to any unit of Equipment which has been settled for under the Manufacturing Agreement but which has not been financed in part by funds made available by the Lenders to the Indenture Trustee on a Lenders' Closing Date under the Participation Agreement), shall be distributed by the Indenture Trustee in the following order of priority: first, in the manner provided in clause "first" of Section 3.03(a) hereof and, second, in the manner provided in clause "first" of Section 3.01 hereof and the remainder shall be held by the Indenture Trustee as security for the obligations of the Lessee under the Lease; provided that in the event of a declaration of default under § 10 of the Lease within 90 days after receipt by the Indenture Trustee of notice of the occurrence of an Indenture Default,

such remainder shall be distributed in the order of priority set forth in Section 3.03(a) hereof, and in the absence of such declaration within such 90-day period, such remainder shall be distributed in the following order of priority: first, in the manner provided in clause "first" of Section 3.01 hereof, second, in the manner provided in clause "second" of Section 3.03(a) hereof, and third, in the manner provided in clause "second" of Section 3.01 hereof.

(c) All payments received and amounts realized by the Indenture Trustee during the quarterly rental period under the Lease immediately following the rental period under the Lease with respect to which the Owner shall have exercised its rights set forth in the final paragraph of § 10 of the Lease (but in any event excluding all payments received and amounts realized or held by the Indenture Trustee with respect to any units of Equipment which have been settled for under the Manufacturing Agreement but which have not been financed in part by funds made available by the Lenders to the Indenture Trustee on the Lenders' Closing Date under the Participation Agreement), shall be held by the Indenture Trustee as security for the obligations of the Lessee under the Lease; provided, that in the event that on the next succeeding rental payment date under the Lease no Indenture Default (or an event or condition which after notice or lapse of time or both would become an Indenture Default) shall have occurred and be continuing, such amounts shall be distributed by the Indenture Trustee to the persons who would otherwise have been entitled thereto but for the provisions of this Section 3.03(c), and otherwise such amounts shall be distributed or held in accordance with Section 3.03(a) or 3.03(b), as appropriate.

SECTION 3.04. Except as otherwise provided in Section 3.03 hereof, all amounts received by the Indenture Trustee from or on behalf of the Lessee pursuant to § 17(b) of the Lease shall promptly upon receipt be paid to the person entitled to such amounts under the Indemnity Agreements referred to in the Lease and the Participation Agreement.

SECTION 3.05. Except as otherwise provided in Sections 3.01, 3.02, 3.03 and 3.04 hereof, any payments received by the Indenture Trustee for which provision as to the application thereof is made in the Lease, the Manufacturing Agreement or the Participation Agreement shall be applied forthwith to the purpose for which such payment was made in accordance with the terms of the Lease, the Manufacturing Agree-

ment or the Participation Agreement, as the case may be.

SECTION 3.06. Except as otherwise provided in Sections 3.01, 3.02, 3.03, 3.04 and 3.05 hereof:

(a) any payments (other than payments under Section 5.03 hereof and Paragraph 13 of the Participation Agreement) received by the Indenture Trustee for which no provision as to the application thereof is made in the Lease, the Manufacturing Agreement, the Participation Agreement or elsewhere in this Article III, and

(b) all payments received and amounts realized by the Indenture Trustee under the Lease or otherwise with respect to the Equipment (including, without limitation, all amounts realized upon the sale or re-lease of such Equipment after the termination of the Lease with respect thereto) to the extent received or realized at any time after payment in full of the principal of and interest on the investments made by the Lenders under the Participation Agreement, as well as any other amounts remaining as part of the Trust Estate after payment in full of such principal and interest,

shall be forthwith distributed by the Indenture Trustee in the following order of priority: first, in the manner provided in clause "first" of Section 3.03(a) hereof; second, in the manner provided in clause "second" of Section 3.03(a) hereof; and, third, in the manner provided in clause "fourth" of Section 3.03(a) hereof.

SECTION 3.07. All amounts from time to time distributable under this Trust Indenture by the Indenture Trustee to the Owner shall be paid by the Indenture Trustee to the Owner Trustee for distribution to the Owner in accordance with the provisions of this Trust Indenture; provided, however, that the Indenture Trustee may, upon the written instructions of the Owner Trustee, make payment directly to the Owner of amounts distributable to it as aforesaid.

ARTICLE IV

Remedies of the Indenture Trustee

SECTION 4.01. Occurrence of Indenture Default; Acceleration. (a) Indenture Defaults. Any one of the following events or conditions shall constitute an Indenture

Default:

(i) a Lease Default; or

(ii) any payment of principal or interest due hereunder to any Lender shall not be paid within 7 days after the same shall become due and payable (unless such failure shall result solely from the Indenture Trustee's failure to make such payments while holding funds sufficient therefor); or

(iii) the Owner or the Owner Trustee shall fail to perform or observe any covenant, condition or agreement made to, with or for the benefit of the Lenders or the Indenture Trustee to be performed or observed by either the Owner or the Owner Trustee hereunder or under the Lease, the Manufacturing Agreement, the Participation Agreement or the Trust Agreement and such failure shall continue unremedied for a period of 30 days after notice of such failure has been given to the Owner Trustee and the Owner by the Indenture Trustee or any Lender; or

(iv) any representation or warranty made by the Owner or the Owner Trustee to or for the benefit of the Lenders or the Indenture Trustee hereunder or under the Lease, Manufacturing Agreement, the Participation Agreement or the Trust Agreement, or by any officer or representative of the Owner or the Owner Trustee in any document or certificate furnished to the Indenture Trustee or any Lender in connection herewith or therewith or pursuant hereto or thereto, shall prove at any time to be incorrect in any material respect as of the date made, and such condition shall continue unremedied for a period of 30 days after notice thereof as provided in subparagraph (iii); or

(v) if the Owner shall file a petition in bankruptcy or for reorganization or for an arrangement, composition, readjustment, liquidation, dissolution or similar relief, or shall be adjudicated a bankrupt or become insolvent or shall make an assignment for the benefit of its creditors or shall admit in writing its inability to pay its debts generally as they become due or shall suspend payment of its obligations or shall seek or consent to the appointment of a receiver or liquidator (or other similar official) of it or any material part of its business or assets or shall take any corporate action

in furtherance of any of the foregoing; or

(vi) if a petition or answer shall be filed proposing the adjudication of the Owner as a bankrupt or its reorganization, composition, readjustment, liquidation, dissolution or similar relief and (i) the Owner shall consent to or fail to contest the filing thereof or the material allegations therein or (ii) such petition or answer shall not be discharged or denied within 60 days after the filing thereof; or

(vii) if a receiver or liquidator (or other similar official) shall be appointed for or take possession or charge of the Trust Estate or the Owner and shall not be discharged within 60 days thereafter, or if the Owner shall consent to or acquiesce in such appointment.

(b) Lease Default. After a Lease Default shall have occurred and be continuing and after the Lease shall have been declared in default pursuant to § 10 thereof, then, and in every such case, the Indenture Trustee, as assignee hereunder of the Lease or as mortgagee hereunder of the Equipment or otherwise, may, and when required pursuant to the provisions of Article V hereof shall, exercise any or all of the rights and powers and pursue any and all of the remedies pursuant to § 10 of the Lease and this Article IV and may take possession of all or any part of the properties (hereinafter referred to as the "Mortgaged Property") covered or intended to be covered by the granting clause hereof and may exclude the Owner, the Owner Trustee and the Lessee and all persons claiming under either of them wholly or partly therefrom. In the event the Indenture Trustee shall at any time declare the Lease to be in default pursuant to § 10 thereof, the unpaid principal amount due to all Lenders hereunder with accrued interest thereon shall immediately become due and payable without further act or notice of any kind.

(c) Right to Cure Lease Default. In the case of a Lease Default consisting of the Lessee's failure to pay an instalment of rent or other obligations when due under the Lease, the Indenture Trustee shall give the Owner Trustee and the Owner notice by telegraph or telex of such failure and shall not exercise any of the rights and powers or pursue any of the remedies pursuant to § 10 of the Lease and this Article IV if (i) such failure shall not constitute the second failure by the Lessee to pay an instalment of rent when due during any four consecutive quarterly rental periods, (ii)

such failure shall not exceed the third failure by the Lessee to pay an instalment of rent when due and (iii) the Indenture Trustee shall have received from the Owner within ten Business Days following the date of such notice the full amount of such instalment of rent or other obligations then due, together with any interest due thereon. Upon any payment of rent or other obligations by the Owner, in accordance with this Section 4.01(c), the Owner shall be subrogated to the rights of the Lenders hereunder to receive such payment of rent (and the payment of interest on account of its being overdue) and shall be entitled, subject to Sections 3.01 and 3.03 hereof, to receive such payment upon its receipt by the Indenture Trustee; provided that the Owner may not exercise any rights and powers or pursue any remedies pursuant to § 10 of the Lease or otherwise which the Indenture Trustee would have been entitled to exercise or pursue but for the preceding sentence.

(d) Indenture Default Not a Lease Default. If an Indenture Default other than a Lease Default shall have occurred and be continuing, the Indenture Trustee or a Majority in Interest of Lenders may declare the unpaid principal amounts of the investments made by the Lenders pursuant to the Participation Agreement to be due and payable immediately by giving written notice to the Owner Trustee and (if such notice be given by a Majority in Interest of Lenders) to the Indenture Trustee and upon any such declaration of acceleration such principal and accrued interest thereon shall become due and payable immediately without further act or notice of any kind. Upon such declaration, the Indenture Trustee, as assignee hereunder of the Lease or as mortgagee hereunder of the Equipment or otherwise, may, and when required pursuant to Article V hereof shall, exercise any or all of the rights and powers and pursue any and all of the remedies permitted by this Article IV, and may take possession of all or any part of the Mortgaged Property and may exclude the Owner Trustee and all persons claiming under or through the Owner Trustee wholly or partly therefrom.

SECTION 4.02. Taking Possession of Mortgaged Property; Rights of Indenture Trustee. The Owner Trustee agrees, to the full extent that it lawfully may, that, in case one or more Indenture Defaults shall have occurred and be continuing and after the Lease shall have been declared in default pursuant to § 10 thereof, or after the maturity of the unpaid principal amount of the investments made by the Lenders pursuant to the Participation Agreement shall have been accelerated pursuant to Section 4.01(d) then, and in every such

case, the Indenture Trustee may, subject to Section 4.01(c), exercise all of the rights, privileges and remedies given it hereunder, may take possession of all or any part of the Mortgaged Property and may exclude the Owner Trustee and all persons claiming under the Owner Trustee wholly or partly therefrom. At the request of the Indenture Trustee, the Owner Trustee shall promptly execute and deliver to the Indenture Trustee, without warranty or recourse, such instruments of title and other documents as the Indenture Trustee may deem necessary or advisable to enable the Indenture Trustee or an agent or representative designated by the Indenture Trustee, at such time or times and place or places as the Indenture Trustee may specify, to obtain possession of all or any part of the Mortgaged Property to the possession of which the Indenture Trustee shall at the time be entitled hereunder. If the Owner Trustee shall for any reason fail to execute and deliver such instruments and documents after such demand by the Indenture Trustee, the Indenture Trustee may (a) obtain a judgment conferring on the Indenture Trustee the right to immediate possession and requiring the Owner Trustee to deliver such instruments and documents to the Indenture Trustee, to the entry of which judgment the Owner Trustee hereby specifically consents, and (b) pursue all or part of such Mortgaged Property wherever it may be found and may enter any of the premises of the Owner Trustee or the Lessee wherever such Mortgaged Property may be or be supposed to be and search for such Mortgaged Property and take possession of and remove such Mortgaged Property. Upon every such taking of possession the Indenture Trustee may, from time to time, at the expense of the Mortgaged Property, make all expenditures for maintenance, insurance, repairs, replacements, alterations, additions and improvements to and of the Mortgaged Property, as it may deem proper. In each such case, the Indenture Trustee shall have the right to use, operate, store, control or manage the Mortgaged Property and to carry on the business and to exercise all rights and powers of the Owner Trustee relating to the Mortgaged Property, as the Indenture Trustee shall deem best, including the right to enter into any and all such agreements with respect to the maintenance, operation, leasing, storage or disposition of the Mortgaged Property or any part thereof as the Indenture Trustee may determine; and the Indenture Trustee shall be entitled to collect and receive all tolls, rents, revenues, issues, income, products and profits of the Mortgaged Property and every part thereof, without prejudice, however, to the right of the Indenture Trustee under any provision of this Trust Indenture to collect and receive all cash held by, or required to be deposited with, the Indenture Trustee here-

under. Such tolls, rents, revenues, issues, income, products and profits shall be applied to pay the expenses of holding and operating the Mortgaged Property and of conducting the business thereof, and of all maintenance, repairs, replacements, alterations, additions and improvements, and to make all payments which the Indenture Trustee may be required or may elect to make, if any, for taxes, assessments, insurance or other proper charges upon the Mortgaged Property or any part thereof (including the employment of engineers and accountants to examine, inspect and make reports upon the properties and books and records of the Owner Trustee), and all other payments which the Indenture Trustee may be required or authorized to make under any provision of this Trust Indenture, as well as just and reasonable compensation for the services of the Indenture Trustee, and of all persons properly engaged and employed by the Indenture Trustee.

SECTION 4.03. Remedies Cumulative. Each and every right, power and remedy herein specifically given to the Indenture Trustee or otherwise in this Trust Indenture shall be cumulative and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy whether specifically herein given or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by the Indenture Trustee, and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy. No delay or omission by the Indenture Trustee in the exercise of any right, remedy or power or in the pursuance of any remedy shall impair any such right, power or remedy or be construed to be a waiver of any default on the part of the Owner, the Owner Trustee or the Lessee or to be an acquiescence therein.

SECTION 4.04. Discontinuance of Proceedings. In case the Indenture Trustee shall have proceeded to enforce any right, power or remedy under this Trust Indenture by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Indenture Trustee, then and in every such case the Owner Trustee, the Indenture Trustee and the Lessee shall be restored to their former positions and rights hereunder with respect to the Mortgaged Property, and all rights, remedies and powers of the Indenture Trustee shall continue as if no such proceedings had been taken.

ARTICLE V

Duties of the Owner Trustee and the Indenture Trustee

SECTION 5.01. In the event the Owner Trustee shall have knowledge of an Indenture Default (or an event or condition which after notice or lapse of time or both would become an Indenture Default), the Owner Trustee shall give prompt telephonic notice (confirmed in writing) thereof to the Indenture Trustee, each Lender and the Owner. In the event the Indenture Trustee shall have knowledge of an Indenture Default (or an event or condition which after notice or lapse of time or both would become an Indenture Default), the Indenture Trustee shall give prompt telephonic notice (confirmed in writing) therof to the Owner Trustee and each Lender. Subject to the terms of Section 5.03 hereof, the Indenture Trustee shall take such action (or refrain from taking action) with respect to such Indenture Default or such other event or condition as the Indenture Trustee shall be instructed in writing at any time by a Majority in Interest of Lenders. If the Indenture Trustee shall not have received instructions as above provided within 20 days after the giving of notice of such Indenture Default or such other event or condition to the Lenders, the Indenture Trustee may, subject to instructions received at any time from a Majority in Interest of Lenders, take such action, or refrain from taking such action, but shall be under no duty to take or refrain from taking any action, with respect to such Indenture Default or such other event or condition as it shall deem advisable in the best interests of the Lenders.

SECTION 5.02. Subject to the terms of Sections 5.01 and 5.03 hereof, upon the written instructions at any time and from time to time of a Majority in Interest of Lenders, the Indenture Trustee will take such of the following actions, subject to the terms hereof, as may be specified in such instructions: (i) give such notice or direction or exercise such right or power under the Lease or the Manufacturing Agreement as shall be specified in such instructions; (ii) take such action to preserve or protect the Mortgaged Property and the Trust Estate (including the discharge of liens and encumbrances) as shall be specified in such instructions; and (iii) approve as satisfactory to it all matters required by the terms of the Lease to be satisfactory to the Owner Trustee, it being understood that without the written instructions of a Majority in Interest of Lenders the

Indenture Trustee shall not approve any such matter as satisfactory to it.

SECTION 5.03. The Indenture Trustee shall be under no duty to take any action or refrain from taking any action under Section 5.01 or 5.02 or Article IV hereof unless the Indenture Trustee shall have been indemnified by the Lenders, in proportion to their respective interests in the Trust Estate at the time such action is taken, in manner and form satisfactory to the Indenture Trustee, against any liability, cost or expense (including counsel fees) which may be incurred in connection with such action or inaction. The Indenture Trustee shall not be required to take any action under Section 5.01 or 5.02 or Article IV hereof, nor shall any other provision of this Trust Indenture be deemed to impose a duty on the Indenture Trustee to take any action, if the Indenture Trustee shall determine, or shall have been advised by counsel, that such action is contrary to the terms of this Trust Indenture, the Lease or the Participation Agreement or is otherwise contrary to law.

SECTION 5.04. The Indenture Trustee shall not have any duty or obligation to manage, control, use, sell or otherwise transfer title to or dispose of or otherwise deal with any unit of Equipment or any other part of the Trust Estate, or otherwise to take or refrain from taking any action under, or in connection with, this Trust Indenture, the Lease or the Manufacturing Agreement, except as expressly provided by the terms of this Trust Indenture or the Participation Agreement or as expressly provided in written instructions from a Majority in Interest of Lenders received pursuant to the terms of Section 5.01 or 5.02 hereof; and no implied duties or obligations shall be read into this Trust Indenture against the Indenture Trustee. The Indenture Trustee nevertheless agrees that it will, at its own cost and expense, promptly take such action as may be necessary to duly discharge any liens or encumbrances on any part of the Trust Estate which result from claims against the Indenture Trustee not related to the ownership of the Equipment or the administration of the Trust Estate.

SECTION 5.05. The Indenture Trustee shall not manage, control, use, sell or otherwise transfer title to, or dispose of or otherwise deal with any unit of Equipment or any other part of the Trust Estate, except (i) as required by the terms of the Participation Agreement, the Manufacturing

Agreement or the Lease, (ii) in accordance with the powers expressly granted to, or the authority expressly conferred upon, the Indenture Trustee pursuant to this Trust Indenture or (iii) in accordance with written instructions from a Majority in Interest of Lenders pursuant to Sections 5.01 or 5.02 hereof.

ARTICLE VI

The Indenture Trustee and the Owner Trustee

SECTION 6.01. The Indenture Trustee accepts the trusts hereby created and agrees to perform the same but only upon the terms of this Trust Indenture, and agrees to receive and disburse all moneys constituting part of the Trust Estate in accordance with the provisions hereof. The Indenture Trustee shall not be answerable or accountable under any circumstances, except (i) for its own wilful misconduct or negligence, or (ii) in the case of the inaccuracy of any representation or warranty contained in Section 6.03 hereof. The Owner Trustee shall not be liable for any action or inaction of the Indenture Trustee and the Indenture Trustee shall not be liable for any action or inaction of the Owner Trustee.

SECTION 6.02. Except in accordance with written instructions furnished pursuant to Section 5.02 hereof and without limiting the generality of Sections 5.04 and 5.05 hereof, the Indenture Trustee shall have no duty (i) to see to any recording, filing or depositing of the Participation Agreement, the Manufacturing Agreement or the Lease or of this Trust Indenture, or to see to the maintenance of any such recording, filing or depositing or to any rerecording, refiling or redepositing of any thereof, (ii) to see to any insurance on the Equipment or to effect or maintain any such insurance, (iii) to review the financial condition or operations of Lessee, or make any determination with respect to an adverse change therein, (iv) except as otherwise provided in Section 5.04 hereof, to see to the payment or discharge of any tax, assessment or other governmental charge or any lien or encumbrance of any kind owing with respect to, or assessed or levied against, any part of the Trust Estate, (v) to confirm or verify any financial statements or reports of the Lessee or (vi) to inspect the Equipment at any time or ascertain or inquire as to

the performance or observance of any of the Lessee's covenants under the Lease with respect to the Equipment. Notwithstanding the foregoing, the Indenture Trustee will furnish to any Lender who shall have requested the same, promptly upon receipt thereof, duplicates or copies of all reports, notices, requests, demands, certificates, financial statements and other instruments furnished to the Indenture Trustee hereunder or under the Participation Agreement, the Lease or the Manufacturing Agreement, to the extent the same shall not have been furnished to each such Lender.

SECTION 6.03. The Indenture Trustee and the Owner Trustee do not make and shall not be deemed to have made (i) any representation or warranty, express or implied, as to the value, condition or fitness for use of any of the Equipment or as to title thereto or any other representation or warranty whatsoever, express or implied, with respect to the Equipment, except that the Owner Trustee hereby warrants to each Lender that (a) on the delivery date for each unit of Equipment such unit of Equipment shall be free of liens and encumbrances resulting from claims against the Owner Trustee not related to the ownership of the Equipment or the administration of the Estate or any other transaction pursuant to the Trust Agreement, and (b) each unit of Equipment shall, while a part of the Trust Estate and at the time of any conveyance therefrom, be free of liens and encumbrances resulting from any acts of the Owner Trustee except liens and encumbrances permitted by the Lease or this Indenture or created by this Indenture, the Trust Agreement or the Manufacturing Agreement or liens and encumbrances arising from the administration of the Estate, or (ii) any representation or warranty as to the validity, legality or enforceability of this Indenture, the Trust Agreement, the Participation Agreement, the Lease, the Manufacturing Agreement or the assignments of the Bills of Sale or as to the correctness of any statement contained in any thereof except to the extent that any such statement is expressly made by the Indenture Trustee or the Owner Trustee in this Section 6.03, except that the Indenture Trustee or the Owner Trustee each hereby represents and warrants to each Lender that this Indenture has been, and, in the case of the Indenture Trustee, the Participation Agreement (and the Certificates of Interest delivered to the Lenders thereunder), and, in the case of the Owner Trustee, the Participation Agreement, the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale, have been (or at the time of execution and delivery of any such instrument that such instrument will be) duly executed and

delivered by one of its officers who is or will be, as the case may be, duly authorized to execute and deliver such instruments on its behalf.

SECTION 6.04. Moneys received by the Indenture Trustee hereunder need not be segregated in any manner except to the extent required by law and may be deposited under such general conditions as may be prescribed by law in the general banking department of the Indenture Trustee, and the Indenture Trustee shall not be liable for any interest thereon.

SECTION 6.05. The Indenture Trustee shall incur no liability to anyone in acting upon any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond or other document or paper believed by it to be genuine and believed by it to be signed by the proper party or parties. The Indenture Trustee and the Owner Trustee may accept a copy of a resolution of the Board of Directors of any corporate party, certified by the Secretary or an Assistant Secretary thereof as duly adopted and in full force and effect (or in lieu thereof a resolution of the executive committee of such corporate party), as conclusive evidence that such resolution has been duly adopted by said Board and that the same is in full force and effect. As to any fact or matter, the manner of ascertainment of which is not specifically described herein, the Inndenture Trustee and the Owner Trustee may for all purposes hereof rely on a certificate, signed by or on behalf of the proper party executing the same, as to such fact or matter, and such certificate shall constitute full protection to the Indenture Trustee and the Owner Trustee for any action taken or omitted to be taken by either of them in good faith in reliance thereon. In the administration of the trusts hereunder, the Indenture Trustee may execute any of the trusts or powers hereof and perform its powers and duties hereunder directly or through agents or attorneys and may, at the expense of the Trust Estate, seek advice of counsel, accountants and other skilled persons to be selected and employed by it, and the Indenture Trustee shall not be liable for anything done, suffered or omitted in good faith by it in accordance with the advice or opinion of any such counsel, accountants or other skilled persons.

SECTION 6.06. The Owner Trustee and the Indenture Trustee act solely as trustee as herein and in the case of the Owner Trustee in the Trust Agreement provided and not in

its individual capacity; and all persons, other than the Lenders, having any claim against the Owner Trustee or the Indenture Trustee by reason of the transactions contemplated hereby shall look, subject to the interests created hereby and the priorities of payment provided herein, only to the Trust Estate for payment or satisfaction thereof.

SECTION 6.07. The Indenture Trustee, or any successor thereto, from time to time serving hereunder, shall have the absolute right, acting independently, to take any action and to exercise any right, remedy, power or privilege conferred upon the Indenture Trustee hereunder; and any action taken by the Indenture Trustee from time to time serving hereunder shall be binding upon the Indenture Trustee and no person dealing with the Indenture Trustee from time to time serving hereunder shall be obligated to confirm the power and authority of the Indenture Trustee to act.

SECTION 6.08. The Indenture Trustee and the Owner Trustee agree that they shall have no right against the Lenders or, except as provided in Section 3.03 and 4.02 hereof, the Trust Estate for any fee as compensation for their services hereunder.

ARTICLE VII

Successor Indenture Trustees

SECTION 7.01. (a) The Indenture Trustee or any successor Indenture Trustee may resign at any time without cause by giving at least 30 days' prior written notice to the Owner Trustee and each Lender, such resignation to be effective on the acceptance of appointment by the successor Indenture Trustee under Section 7.01(b) hereof. In addition, the Indenture Trustee may be removed at any time without cause by a Majority in Interest of Lenders by an instrument in writing delivered to the Owner Trustee and the Indenture Trustee and each Lender not signing such instrument, such removal to be effective on the acceptance of appointment by the successor Indenture Trustee under Section 7.01(b) hereof. In case of the resignation or removal of the Indenture Trustee, a Majority in Interest of Lenders may appoint a successor Indenture Trustee by a written instrument signed by a Majority in Interest of Lenders. If a successor Indenture Trustee shall not have been appointed within 30 days after the giving of the written notice of

such resignation or the delivery of the written instrument with respect to such removal, any Lender or the Indenture Trustee may apply to any court of competent jurisdiction to appoint a successor Indenture Trustee to act until such time, if any, as a successor shall have been appointed as above provided. Any successor Indenture Trustee so appointed by such court shall immediately and without further act be superseded by any successor Indenture Trustee appointed as above provided within one year from the date of the appointment by such court.

(b) Any successor Indenture Trustee, whether appointed by a court or by a Majority in Interest of Lenders, shall execute and deliver to the Owner Trustee, each Lender and the predecessor Indenture Trustee an instrument accepting such appointment, and thereupon such successor Indenture Trustee, without further act, shall become vested with all the estates, properties, rights, powers, duties and trusts of the predecessor Indenture Trustee in the trusts hereunder with like effect as if originally named as a Trustee herein; but nevertheless upon the written request of such successor Indenture Trustee, such predecessor Indenture Trustee shall execute and deliver an instrument transferring to such successor Indenture Trustee, upon the trusts herein expressed, all the estates, properties, rights, powers and trusts of such predecessor Indenture Trustee, and such predecessor Indenture Trustee shall duly assign, transfer, deliver and pay over to such successor Indenture Trustee any property or moneys then held by such predecessor Indenture Trustee upon the trusts herein expressed.

(c) Any successor Indenture Trustee, however appointed, shall be a trust company incorporated and doing business within the United States of America, and having a combined capital and surplus of at least $100,000,000 if there be such an institution willing, able and legally qualified to perform the duties of Indenture Trustee hereunder upon reasonable or customary terms.

(d) Any corporation into which the Indenture Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Indenture Trustee shall be a party, or any corporation to which substantially all the corporate trust business of the Indenture Trustee may be transferred, shall, subject to the terms of Section 7.01(c) hereof, be the Indenture Trustee under

this Agreement without further act.

SECTION 7.02. (a) Whenever the Indenture Trustee shall deem it necessary or prudent in order either to conform to any law of any jurisdiction in which all or any part of the Trust Estate shall be situated or to make any claim or bring any suit with respect to the Trust Estate, or the Indenture Trustee shall be advised by counsel satisfactory to it that it is so necessary or prudent in the interest of the Lenders or in the event that the Indenture Trustee shall have been requested to do so by a Majority in Interest of Lenders, the Indenture Trustee and the Owner Trustee shall execute and deliver an agreement supplemental hereto and all other instruments and agreements necessary or proper to constitute another bank or trust company, or one or more persons approved by the Indenture Trustee, either to act as additional trustee or trustees of all or any part of the Trust Estate, jointly with the Indenture Trustee, or to act as separate trustee or trustees of all or any part of the Trust Estate, in any such case with such powers as may be provided in such agreement supplemental hereto, and to vest in such bank, trust company or person as such additional trustee or separate trustee, as the case may be, any property, title, right or power of the Indenture Trustee deemed necessary or advisable by the Indenture Trustee, subject to the remaining provisions of this Section 7.02. In the event the Owner Trustee shall not have joined in the execution of such agreement supplemental hereto within 10 days after the receipt of a written request from the Indenture Trustee so to do, or in case an Indenture Default (or any event or condition which after notice or lapse of time or both would become an Indenture Default) shall occur and be continuing, the Indenture Trustee may act under the foregoing provisions of this Section 7.02(a) without the concurrence of the Owner Trustee; and the Owner Trustee hereby appoints the Indenture Trustee its agent and attorney to act for it under the foregoing provisions of this Section 7.02(a) in either of such contingencies. The Indenture Trustee may execute, deliver and perform any deed, conveyance, assignment or other instrument in writing as may be required by any additional trustee or separate trustee for more fully and certainly vesting in and confirming to it or him any property, title, right or power which, by the terms of such agreement supplemental hereto, are expressed to be conveyed or conferred to or upon such additional trustee or separate trustee, and the Owner Trustee shall, upon the Indenture Trustee's request, join therein and execute, acknowledge and deliver the same;

and the Owner Trustee hereby makes, constitutes and appoints the Indenture Trustee its agent and attorney-in-fact for it and in its name, place and stead to execute, acknowledge and deliver any such deed, conveyance, assignment or other instrument in the event that the Owner Trustee shall not itself execute and deliver the same within 10 days after receipt by it of such request so to do.

(b) Every additional trustee and separate trustee hereunder shall, to the extent permitted by law, be appointed and act and the Indenture Trustee shall act, subject to the following provisions and conditions:

(i) all powers, duties, obligations and rights conferred upon the Indenture Trustee in respect of the receipt, custody, investment and payment of moneys shall be exercised solely by the Indenture Trustee;

(ii) all other rights, powers, duties and obligations conferred or imposed upon the Indenture Trustee shall be conferred or imposed upon and exercised or performed by the Indenture Trustee and such additional trustee or trustees and separate trustee or trustees jointly, except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed the Indenture Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations (including the holding of title to the Trust Estate in any such jurisdiction) shall be exercised and performed by such additional trustee or trustees or separate trustee or trustees;

(iii) no power hereby given to, or with respect to which it is hereby provided may be exercised by, any such additional trustee or separate trustee shall be exercised hereunder by such additional trustee or separate trustee except jointly with, or with the consent of, the Indenture Trustee; and

(iv) no trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder.

If at any time the Indenture Trustee shall deem it no longer necessary or prudent in order to conform to any such law or take any such action or shall be advised by such counsel that it is no longer so necessary or prudent in the interest

of the Lenders or in the event that the Indenture Trustee shall have been requested to do so in writing by a Majority in Interest of Lenders, the Indenture Trustee and the Owner Trustee shall execute and deliver an agreement supplemental hereto and all other instruments and agreements necessary or proper to remove any additional trustee or separate trustee. In the event that the Owner Trustee shall not have joined in the execution of such agreement supplemental hereto, instruments and agreements, the Indenture Trustee may act on behalf of the Owner Trustee to the same extent provided above.

(c) Any additional trustee or separate trustee may at any time by an instrument in writing constitute the Indenture Trustee its agent or attorney-in-fact, with full power and authority, to the extent which may be authorized by law, to do all acts and things and exercise all discretions which it is authorized or permitted to do or exercise, for and in its behalf and in its name. In case any such additional trustee or separate trustee shall die, become incapable of acting, resign or be removed, all the assets, property, rights, powers, trusts, duties and obligations of such additional trustee or separate trustee, as the case may be, so far as permitted by law, shall vest in and be exercised by the Indenture Trustee, without the appointment of a new successor to such additional trustee or separate trustee unless and until a successor is appointed in the manner hereinbefore provided.

(d) Any request, approval or consent in writing by the Indenture Trustee to any additional trustee or separate trustee shall be sufficient warrant to such additional trustee or separate trustee, as the case may be, to take such action as may be so requested, approved or consented to.

(e) Each additional trustee and separate trustee appointed pursuant to this Section shall be subject to, and shall have the benefit of, the first two sentences of Section 7.01(a) hereof and Articles IV, V, VI and VIII hereof in so far as they apply to the Indenture Trustee.

ARTICLE VIII

Supplements and Amendments to this Trust Indenture and Other Documents

SECTION 8.01. At any time and from time to time,

upon the written request of a Majority in Interest of Investors, (i) the Owner Trustee and the Indenture Trustee shall execute a supplement hereto for the purpose of adding provisions to, or changing or eliminating provisions of, this Trust Indenture as specified in such request and (ii) the Owner Trustee shall enter into such written amendment of or supplement to the Lease or the Manufacturing Agreement as the Lessee may agree to and as may be specified in such request, or execute and deliver such written waiver or modification of the terms of the Lease or the Manufacturing Agreement as may be specified in such request; provided, however, that, without the consent of the Owner and each Lender (until all the unpaid principal amount of and accrued interest on the investment made by such Lender under the Participation Agreement shall have been paid in full), no such supplement to this Trust Indenture or amendment of or supplement to the Lease or the Manufacturing Agreement, or waiver or modification of the terms of any thereof, shall (i) modify any of the provisions of this Section or of Sections 5.01, 5.02 or 5.03 hereof or change the definition of Majority in Interest of Investors contained in Section 1.01 hereof, (ii) reduce the amount or extend the time of payment of any amount owing hereunder with respect to principal or interest to any Lender or reduce the rate of interest payable on such principal or alter or modify the provisions of Article III hereof with respect to the order of priorities in which distributions thereunder shall be made as between the Lenders and the Owner, (iii) reduce, modify or amend any indemnities in favor of any Lender or the Indenture Trustee, (iv) modify, amend or supplement the Lease or consent to any assignment of the Lease, in either case releasing the Lessee from its obligations in respect of the payment of rent or Casualty Value under the Lease or changing the absolute and unconditional character of such obligations as set forth in § 1 of the Lease or (v) modify, amend or supplement the final paragraph of § 10 of the Lease; provided, further, that, without the consent of the Owner, no such supplement to this Trust Indenture shall increase the liabilities or obligations of or diminish the powers, rights or immunities of the Owner; and provided, further, that, without the consent of each Lender, no such supplement to this Trust Indenture or waiver or modification of the terms hereof shall deprive any Lender of the benefit of the lien of this Trust Indenture on the Trust Estate. Notwithstanding anything contained in this Section 8.01 to the contrary, in the event that any unit of Equipment has been settled for under the Manufacturing Agreement but is not financed in part by funds made available by the Lenders to the Indenture Trustee on a Lenders' Closing Date under the Participation

Agreement, the Owner Trustee and the Indenture Trustee shall execute a supplement hereto, without the necessity for consent thereto by the Owner or any Lender, excluding such Equipment from the Trust Estate.

SECTION 8.02. If in the opinion of the Indenture Trustee or the Owner Trustee any document required to be executed pursuant to the terms of Section 7.02 or 8.01 hereof affects any rights, duties, immunities or indemnities in favor of the Indenture Trustee or the Owner Trustee under this Trust Indenture, the Manufacturing Agreement or the Lease, the Indenture Trustee or the Owner Trustee may in its discretion decline to execute such document.

SECTION 8.03. It shall not be necessary for any written request furnished pursuant to Section 8.01 hereof to specify the particular form of the proposed documents to be executed pursuant to said Section, but it shall be sufficient if such request shall indicate the substance thereof.

SECTION 8.04. Promptly after the execution by the Owner Trustee and the Indenture Trustee of any document entered into pursuant to Section 8.01 hereof, the Owner Trustee shall mail, by first class mail, postage prepaid, a conformed copy thereof to each Lender at its address last known to the Owner Trustee, but failure of the Owner Trustee to mail such conformed copies shall not impair or affect the validity of such document.

SECTION 8.05. The Owner Trustee shall not amend or supplement the Trust Agreement except to the extent permitted by, and in accordance with, the terms thereof, and unless a signed copy of such amendment or supplement has been delivered to the Indenture Trustee; provided, however, that Section 11.12 of the Trust Agreement, as originally executed, shall not be changed prior to the termination of this Trust Indenture pursuant to Section 9.01 hereof.

ARTICLE IX

Miscellaneous

SECTION 9.01. This Trust Indenture and the trusts created hereby shall terminate and this Trust Indenture shall be of no further force or effect upon the earlier of (i) the sale, transfer or other final disposition by the Indenture Trustee of all property at any time part of the Trust Estate and the final distribution by the Indenture Trustee of all moneys or other property or proceeds constituting part of the Trust Estate in accordance with the terms of Article

III hereof, provided that at such time the Lessee shall have fully complied with all the terms of the Lease, the Manufacturing Agreement and the Participation Agreement, and (ii) twenty-one years less one day after the death of the survivor of the issue, living on the date of the earliest acknowledgment of the execution of this Trust Indenture, of the present members of the Boards of Directors of the Owner Trustee or the Indenture Trustee, otherwise this Trust Indenture and the trusts created hereby shall continue in full force and effect in accordance with the terms hereof. Upon payment in full of all amounts due to the Lenders hereunder and all amounts secured by the Trust Estate, the Indenture Trustee shall pay all moneys or other properties or proceeds constituting part of the Trust Estate to the Owner Trustee, and this Trust Indenture and the trusts created hereby shall terminate and shall be of no further force or effect.

SECTION 9.02. No Lender shall have legal title to any part of the Trust Estate. No transfer, by operation of law or otherwise, of the interests of the Lenders or other right, title and interest of any Lender in and to the Trust Estate or hereunder shall operate to terminate this Trust Indenture or the trusts hereunder or entitle any successor or transferee to an accounting or to the transfer to it of legal title to any part of the Trust Estate.

SECTION 9.03. Any assignment, sale, transfer or other conveyance by the Indenture Trustee of the interest of the Indenture Trustee in the Manufacturing Agreement or the Lease or any unit of Equipment made pursuant to the terms of this Trust Indenture, the Manufacturing Agreement or the Lease shall bind the Lenders and shall be effective to transfer or convey all right, title and interest of the Indenture Trustee, the Owner Trustee, the Owner and such Lenders in and to such agreements or such Equipment. No purchaser or other grantee shall be required to inquire as to the authorization, necessity, expediency or regularity of such sale or conveyance or as to the application of any sale or other proceeds with respect thereto by the Indenture Trustee.

SECTION 9.04. Nothing in this Trust Indenture, whether express or implied, shall be construed to give to any person other than the Indenture Trustee, the Owner Trustee, the Owner and the Lenders any legal or equitable right, remedy or claim under or in respect of this Trust Indenture or the Trust Estate; but this Trust Indenture and the Trust Estate shall be held for the sole and exclusive benefit of the Indenture Trustee, the Owner Trustee and the Lenders.

SECTION 9.05. Unless otherwise expressly specified or permitted by the terms hereof, all notices shall be in writing, mailed by regular mail, postage prepaid, (i) if to the Indenture Trustee, addressed to it at the Trust Office, (ii) if to the Owner Trustee, addressed to it at 111 West Monroe Street, Chicago, Illinois 6090, Attention: Corporate Trust Division, (iii) if to the Owner or a Lender party to the Participation Agreement, addressed to such party at such address as such party shall have furnished by notice to the Indenture Trustee and the Owner Trustee, or, until an address is so furnished, addressed to such party at its address set forth in Paragraph 11 of the Participation Agreement or in Schedule A thereto and (iii) if to any successor or assign of any Lender, to such address as may be furnished to the Indenture Trustee and the Owner Trustee in writing for such purpose. Whenever any notice in writing is required to be given by the Indenture Trustee, the Owner Trustee or any Lender to any of the other of them, such notice shall be deemed given and such requirement satisfied if such notice is mailed by regular mail, postage prepaid, addressed as provided above.

SECTION 9.06. Any provision of this Trust Indenture which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. In the event of any inconsistency or conflict between any provision of this Trust Indenture and any provision of the Trust Agreement, such provision in this Trust Indenture shall govern and control.

SECTION 9.07. Subject to Section 8.01 hereof, no term or provision of this Trust Indenture may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party or other person against whom enforcement of the change, waiver, discharge or termination is sought; and any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given.

SECTION 9.08. This Trust Indenture may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 9.09. All covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the parties hereto and the Lenders and their respective successors and assigns. Any request, notice, direction, consent, waiver or other instrument or action by any Lender shall bind the successors and assigns thereof.

SECTION 9.10. The headings of the various articles herein are for convenience of reference only and shall not modify, define, expand or limit any of the terms or provisions hereof.

SECTION 9.11. This Trust Indenture shall in all respects be governed by, and construed in accordance with, the laws of the State of Illinois, including all matters of construction, validity and performance.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this Trust Indenture to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunder affixed and duly attested, all as of the day and year first above written.

HARRIS TRUST AND SAVINGS BANK,
as Owner Trustee,

[Seal]

by

Vice President

Attest:

Assistant Secretary

CONTINENTAL ILLINOIS NATIONAL
BANK AND TRUST COMPANY OF CHICAGO,
as Indenture Trustee,

[Seal]

by

Second Vice President

Attest:

Trust Officer

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK ,)

On this 6th day of Nov 1975, before me personally appeared J. L. SPRENG, to me personally known, who, being by me duly sworn, says that he is a Vice President of HARRIS TRUST AND SAVINGS BANK, 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.

Fred D. Sickman
Notary Public

[Notarial Seal]

My Commission expires

NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXPIRES JULY 30, 1978
ISSUED THRU ILLINOIS NOTARY ASSOC.

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 6th day of Nov., 1975, before me personally appeared M. J. Kruger, to me personally known, who, being by me duly sworn, says that he is a Second Vice President of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, that one of the seals affixed to the foregoing instrument is the corporate seal of said bank and trust company, that said instrument was signed and sealed on behalf of said bank and trust company 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 bank and trust company.

Margaret M Kowalik
Notary Public

[Notarial Seal]

My Commission expires

My Commission expires March 3, 1979.

SCHEDULE I TO TRUST INDENTURE

Allocation Schedule
on Each $1,000,000
of Equipment Obligations

Payment Number	Total Debt Service Payment	Interest Payment	Allocated to Principal	Principal Balance
0	--	--	--	$1,000,000.00
1	$ 34,074.02	$ 26,250.00	$ 7,824.02	992,175.98
2	34,074.02	26,044.62	8,029.40	984,146.58
3	34,074.02	25,833.85	8,240.17	975,906.41
4	34,074.02	25,617.54	8,456.48	967,449.93
5	34,074.02	25,395.56	8,678.46	958,771.47
6	34,074.02	25,167.75	8,906.27	949,865.20
7	34,074.02	24,933.96	9,140.06	940,725.14
8	34,074.02	24,694.03	9,379.99	931,345.15
9	34,074.02	24,447.81	9,626.21	921,718.94
10	34,074.02	24,195.12	9,878.90	911,840.04
11	34,074.02	23,935.80	10,138.22	901,701.82
12	34,074.02	23,669.67	10,404.35	891,297.47
13	34,074.02	23,396.56	10,677.46	880,620.01
14	34,074.02	23,116.28	10,957.74	869,662.27
15	34,074.02	22,828.63	11,245.39	858,416.88
16	34,074.02	22,533.44	11,540.58	846,876.30
17	34,074.02	22,230.50	11,843.52	835,032.78
18	34,074.02	21,919.61	12,154.41	822,878.37
19	34,074.02	21,600.56	12,473.46	810,404.91
20	34,074.02	21,273.13	12,800.89	797,604.02
21	41,646.20	20,937.11	20,709.09	776,894.93
22	41,646.20	20,393.49	21,252.71	755,642.22
23	41,646.20	19,835.61	21,810.59	733,831.63
24	41,646.20	19,263.08	22,383.12	711,448.51
25	41,646.20	18,675.52	22,970.68	688,477.83
26	41,646.20	18,072.54	23,573.66	664,904.17
27	41,646.20	17,453.73	24,192.47	640,711.70
28	41,646.20	16,818.68	24,827.52	615,884.18
29	41,646.20	16,166.96	25,479.24	590,404.94
30	41,646.20	15,498.13	26,148.07	564,256.87

ANNEX A TO TRUST INDENTURE

Type	Quantity	Lessee's Car Numbers (Inclusive)
50-ton, 54'4" boxcars	588	ICG 526000-526224 ICG 526500-526595 ICG 527000-527049 ICG 527200-527362 ICG 576225-576274 ICG 576596-576599
70-ton, 54'4-1/2" to 57'11-1/2" boxcars	212	ICG 152000-152006 ICG 152100-152116 ICG 152200-152212 ICG 527050-527128 ICG 527700-527719 ICG 545800-545825 ICG 595826-595874 ICG 577129

Payment Number	Total Debt Service Payment	Interest Payment	Allocated to Principal	Principal Balance
31	$ 41,646.20	$ 14,811.74	$ 26,834.46	$ 537,422.41
32	33,911.21	14,107.34	19,803.87	517,618.54
33	33,911.21	13,587.49	20,323.72	497,294.82
34	33,911.21	13,053.99	20,857.22	476,437.60
35	33,911.21	12,506.49	21,404.72	455,032.88
36	30,543.08	11,944.61	18,598.47	436,434.41
37	30,543.08	11,456.40	19,086.68	417,347.73
38	30,543.08	10,955.38	19,587.70	397,760.03
39	30,543.08	10,441.20	20,101.88	377,658.15
40	27,249.00	9,913.53	17,335.47	360,322.68
41	27,249.00	9,458.47	17,790.53	342,532.15
42	27,249.00	8,991.47	18,257.53	324,274.62
43	27,249.00	8,512.21	18,736.79	305,537.83
44	24,032.46	8,020.37	16,012.09	289,525.74
45	24,032.46	7,600.05	16,432.41	273,093.33
46	24,032.46	7,168.70	16,863.76	256,229.57
47	24,032.46	6,726.03	17,306.43	238,923.14
48	21,974.19	6,271.73	15,702.46	223,220.68
49	21,974.19	5,859.54	16,114.65	207,106.03
50	21,974.19	5,436.53	16,537.66	190,568.37
51	21,974.19	5,002.42	16,971.77	173,596.60
52	21,012.40	4,556.91	16,455.49	157,141.11
53	21,012.40	4,124.95	16,887.45	140,253.66
54	21,012.40	3,681.66	17,330.74	122,922.92
55	21,012.40	3,226.73	17,785.67	105,137.25
56	20,004.60	2,759.85	17,244.75	87,892.50
57	20,004.60	2,307.18	17,697.42	70,195.08
58	20,004.60	1,842.62	18,161.98	52,033.10
59	20,004.60	1,365.87	18,638.73	33,394.37
60	34,270.97	876.60	33,394.37	0.00
TOTALS	$1,888,767.33	$888,767.33	$1,000,000.00	

EXHIBIT A

PARTICIPATION AGREEMENT

Dated as of August 1, 1975

among

ILLINOIS CENTRAL GULF RAILROAD COMPANY

HARRIS TRUST AND SAVINGS BANK, as Owner Trustee

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY
OF CHICAGO, as Indenture Trustee

CHASE MANHATTAN REALTY LEASING CORPORATION

and

THE PARTIES NAMED IN SCHEDULE A HERETO

10-1/2% Equipment Obligations due 1976-1991

PARTICIPATION AGREEMENT dated as of August 1, 1975, among ILLINOIS CENTRAL GULF RAILROAD COMPANY, a Delaware corporation (hereinafter called the Lessee or the Contractor), HARRIS TRUST AND SAVINGS BANK, an Illinois corporation (hereinafter called the Owner Trustee), as owner trustee under a restated Trust Agreement dated as of the date hereof (hereinafter called the Trust Agreement) with CHASE MANHATTAN REALTY LEASING CORPORATION (hereinafter called the Owner), Continental Illinois National Bank and Trust Company of Chicago, a national banking association (hereinafter called the Indenture Trustee), as indenture trustee under the Trust Indenture and Mortgage dated as of the date hereof (hereinafter called the Trust Indenture) with the Owner Trustee, the Owner and the parties named in Schedule A hereto (hereinafter called the Lenders).

The Owner Trustee is entering into a restated Manufacturing Agreement dated as of the date hereof (hereinafter called the Manufacturing Agreement) with the Contractor, substantially in the form annexed hereto as Exhibit A, for the construction of new, standard-gauge railroad equipment referred to in Annex A to the Manufacturing Agreement (such railroad equipment being hereinafter called the Equipment).

The Owner Trustee proposes to lease to the Lessee, and the Lessee proposes to lease from the Owner Trustee, all the units of the Equipment so constructed, or such lesser number of units as are delivered and accepted under the Manufacturing Agreement, pursuant to a restated Lease of Railroad Equipment dated as of the date hereof (hereinafter, together with the Consent of the Lessee annexed thereto, called the Lease), substantially in the form annexed hereto as Exhibit B.

The Owner Trustee and the Owner are entering into the Trust Agreement, substantially in the form annexed hereto as Exhibit C, pursuant to which the Owner Trustee declares a certain trust for the use and benefit of the Owner subject to the lien of the Trust Indenture.

The Owner Trustee and the Indenture Trustee are entering into the Trust Indenture, substantially in the form annexed hereto as Exhibit D, pursuant to which the Owner Trustee conveys and sets over to the Indenture Trustee its estate, right, title and interest in the Manufacturing Agreement, the Lease and the Equipment and all amounts of rent, insurance proceeds and requisition, indemnity or other payments payable to the Owner Trustee as security for the benefit of the Lenders.

Pursuant hereto the Owner will finance on an interim basis 100% of the Cost of Construction (as defined in the Manufacturing Agreement) of the Equipment up to $14,300,000, and the Lenders and the Owner will finance on a long-term basis 77.63% and 22.37%, respectively, of the Cost of Construction.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained, the parties hereto hereby agree as follows:

1. Subject to the terms and conditions hereof, on each Closing Date (as defined in the Manufacturing Agreement and hereinafter called a Manufacturing Agreement Closing Date) the Owner will make available to the Owner Trustee in immediately available funds, not later than 11:00 a.m., New York City time, sums equal to 100% of the Cost of Construction of the units of Equipment with respect to which settlement is being made under the Manufacturing Agreement on such Manufacturing Agreement Closing Date; provided, however, that the Owner will not be obligated to make funds available to the Owner Trustee on a Manufacturing Agreement Closing Date if the aggregate Cost of Construction theretofore paid to the Manufacturer plus the Cost of Construction required to be paid under the Manufacturing Agreement on such Manufacturing Agreement Closing Date, less the amounts theretofore made available to the Indenture Trustee by the Lenders under the next succeeding paragraph, would exceed $14,300,000. The Contractor hereby agrees not to schedule any Manufacturing Agreement Closing Date so as to fall within the terms of the preceding proviso. Subject to the terms and conditions hereof, upon receipt by the Owner Trustee of any amount required to be paid by the Owner pursuant to this Paragraph 1, the Owner Trustee will make the payment to the Contractor required by Article 3 of the Manufacturing Agreement on such Manufacturing Agreement Closing Date.

Subject to the terms and conditions hereof, on November 13, 1975, and January 30, 1976 (each such date being hereinafter called a Lenders' Closing Date and the second of such dates being sometimes hereinafter called the final Lenders' Closing Date, subject to a change in such dates pursuant to Paragraph 2 hereof), each Lender will make available to the Indenture Trustee, in immediately available funds, not later than 11:00 a.m., New York City time, the amount set forth opposite such Lender's name in Schedule A hereto with respect to such Lenders' Closing Date (such amounts having been calculated to be equal in the aggregate to 77.63% of the Cost of Construction of the units of Equipment for which settlement has been made under the Manufacturing Agreement by November 6, 1975, in the case of the first Lenders' Closing Date and 77.63% of the anticipated Cost of Construction of the units of Equipment for which settlement is scheduled to be made under the Manufacturing Agreement between November 7, 1975 and January 30, 1976, inclusive, in the case of the final Lenders' Closing Date). If necessary, the amounts set forth with respect to the final Lenders' Closing Date shall be proportionately reduced to equal in the aggregate 77.63% of the actual Cost of Construction of units of Equipment being financed on the final Lenders' Closing Date. The Owner Trustee will give or cause to be given to each Lender written notice of the payment to be made by such Lender at least five business days prior to the applicable Lenders' Closing Date. Subject to the terms and conditions hereof, upon receipt by the Indenture Trustee of any amount required to be paid by a Lender pursuant to this Paragraph 1, the Indenture Trustee will transfer such amount in immediately available funds to the Owner and the Indenture Trustee will execute and deliver to such Lender (or, upon the written request of such Lender, to the nominee or nominees of such Lender) a certificate or certificates of interest with respect to such payment dated the applicable Lenders' Closing Date substantially in the form annexed hereto as Exhibit E. As soon as practicable after the delivery of any certificate of interest, the Indenture Trustee will deliver to each Lender a schedule of payments reflecting the dates and amounts of principal and interest payments to be made in respect of its certificate. Each Lender, simultaneously with the final payment to it of all amounts payable in respect of such certificate, will surrender such certificate to the Indenture Trustee.

Notwithstanding the foregoing, the maximum amount which the Owner shall have made available to the Owner Trustee at any one time, less any funds reimbursed to the Owner by the Indenture Trustee from payments made hereunder by the Lenders, shall not exceed $14,300,000; the maximum commitment of the Owner for the long-term financing of the Equipment shall be $4,837,288.80 which is equal to 22.37% of the maximum Cost of Construction permitted under the Manufacturing Agreement; and the maximum commitment of each Lender shall be the total amount set forth opposite such Lender's name in Schedule A hereto, the aggregate amount of the commitments of all the Lenders being $16,786,711.20 which is equal to 77.63% of the maximum Cost of Construction permitted under the Manufacturing Agreement.

The forms of the Exhibits annexed to this Agreement are hereby approved by the Owner and the Lenders.

2. In the event that delivery of any unit of Equipment is delayed by reason of a cause beyond the Contractor's reasonable control including, but not limited to, the causes set forth in the third paragraph of Article 2 of the Manufacturing Agreement, the Lessee shall immediately (and in any event not less than ten business days prior to the applicable originally scheduled Lenders' Closing Date) advise the Owner Trustee, the Indenture Trustee, the Owner and the Lenders thereof. In such event, the Lenders' Closing Dates will be rescheduled for such dates (not later than June 30, 1976) as the Lessee shall specify to the Owner Trustee, the Indenture Trustee, the Owner and the Lenders in written notices delivered at least ten business days prior to each such substituted date and each substituted date shall be considered as a Lenders' Closing Date for the purpose of this Agreement.

The term "business days" as used herein means calendar days, excluding Saturdays, Sundays and any other day on which banking institutions in New York, New York, or Chicago, Illinois, are authorized or obligated to remain closed.

3. The obligation of each Lender to make available to the Indenture Trustee pursuant to Paragraph 1 hereof any amounts required to be made available by such Lender to the Indenture Trustee on any Lenders' Closing Date and the obligation of the Indenture Trustee to make such amounts available to the Owner shall be subject to the Owner having previously made available to the Owner Trustee and the Owner Trustee having paid to the Contractor an amount equal to 100% of

the Cost of Construction of the units of Equipment being financed in part by the Lenders on such Lenders' Closing Date, to each other Lender required to make any amount available to the Indenture Trustee on such Lender's Closing Date making such amount so available, to there not having occurred after the date hereof and prior to such Lender's Closing Date any change in applicable law or regulations thereunder or interpretations thereof by appropriate regulatory authorities which, in the opinion of such Lender, would make it illegal or inappropriate for such Lender to make such amount available and to the receipt by the Indenture Trustee and Messrs. Cravath, Swaine & Moore, special counsel for the Lenders, of the following documents:

(a) An opinion of Messrs. Cravath, Swaine & Moore, special counsel for the Lenders, dated such Lenders' Closing Date, to the effect that:

(i) this Agreement, assuming due authorization, execution and delivery by the Lenders, has been duly authorized, executed and delivered and constitutes a legal, valid and binding instrument enforceable in accordance with its terms;

(ii) the Trust Agreement, the Trust Indenture, the Manufacturing Agreement, the Lease and the Indemnity Agreements dated as of August 15, 1975, as amended (hereinafter called the Indemnity Agreements), between the Lessee and the Owner and the Lessee and Chase Manhattan Service Corporation (hereinafter called CMSC) have been duly authorized, executed and delivered by the respective parties thereto and are legal, valid and binding instruments, enforceable in accordance with their terms;

(iii) the Bills of Sale referred to in the Trust Agreement (hereinafter called the Bills of Sale) (and the assignments thereof to the Owner Trustee) have been duly authorized, executed and delivered by the respective parties thereto and are legal, valid and binding instruments;

(iv) the Indenture Trustee is vested with all the estates, rights, titles, interests, powers and privileges purported to be conveyed and set over to it by the Trust Indenture; the Trust Indenture duly creates for the benefit of the Lenders the security interest and trust interest in the Trust Estate (as defined in the Trust Indenture)

which the Trust Indenture by its terms purports to create; and the beneficial interest of the Owner under the Trust Agreement in and to the Estate (as defined in the Trust Agreement) is subject and subordinate to the rights of the Lenders under the Trust Indenture to the extent provided in the Trust Indenture;

(v) the Manufacturing Agreement, the Lease, the Trust Agreement and the Trust Indenture have been duly filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act and no other filing or recordation is necessary for the protection of the prior security interest of the Indenture Trustee or the Lenders therein or the first lien in the Equipment in the United States of America or any State thereof or the District of Columbia;

(vi) no consent, authorization or approval of, giving of notice to or registration with, or taking of any other action in respect of, the Interstate Commerce Commission or any other governmental or public body or authority of the United States of America, or of any State thereof or the District of Columbia is, to the knowledge of said counsel, necessary for the valid execution, delivery and performance of this Agreement, the Manufacturing Agreement, the Lease, the Trust Agreement, the Trust Indenture, the Indemnity Agreements or the Bills of Sale (or the assignments thereof to the Owner Trustee);

(vii) under the circumstances contemplated by this Agreement, it is not necessary to register the Trust Agreement, the Trust Indenture or the certificates of interest delivered pursuant hereto under the Securities Act of 1933, as in effect on the date of such opinion, or to qualify an indenture with respect thereto under the Trust Indenture Act of 1939, as amended;

(viii) any liens attaching to the leasehold interest of the Lessee under the Lease in and to the Equipment pursuant to the Illinois Central Railroad Company Consolidated Mortgage dated November 1, 1949, as supplemented (hereinafter called the Consolidated Mortgage), and the Gulf,

Mobile and Ohio Railroad Company First and Refunding and General Mortgages each dated as of July 1, 1940, as supplemented (hereinafter called the First and Refunding and General Mortgages), are subject and subordinate to the rights of the Lenders under the Trust Indenture;

(ix) the legal opinions referred to in subparagraphs (b), (c), (d) and (e) of this Paragraph 3 are satisfactory in form and scope to said special counsel and that in their opinion the Lenders are justified in relying thereon;

and as to such other matters incident to the transactions contemplated by this Agreement as the Lenders may reasonably request.

(b) An opinion of counsel for the Owner Trustee, dated as of such Lenders' Closing Date, to the effect that:

(i) this Agreement, the Trust Agreement, the Trust Indenture, the Manufacturing Agreement, the Lease and the assignments of the Bills of Sale have been duly authorized, executed and delivered by the Owner Trustee and, assuming due authorization, execution and delivery by the other parties thereto, are legal and valid instruments binding upon the Owner Trustee and enforceable against the Owner Trustee in accordance with their terms; and

(ii) no consent, authorization or approval of, giving of notice to or registration with, or taking of any other action in respect of, the Interstate Commerce Commission or any other governmental or public body or authority of the United States of America, or of any State thereof or the District of Columbia, is necessary for the valid execution, delivery and performance by the Owner Trustee of this Agreement, the Manufacturing Agreement, the Lease, the Trust Agreement, the Trust Indenture or the assignments of the Bills of Sale to the Owner Trustee.

(c) An opinion of counsel for the Indenture Trustee, dated as of such Lenders Closing Date, to the effect that:

(i) this Agreement and the Trust Indenture have been duly authorized, executed and delivered by the Indenture Trustee and, assuming due authorization, execution and delivery by the other parties thereto, are legal and valid instruments binding upon the Indenture Trustee and enforceable against the Indenture Trustee in accordance with their terms; and

(ii) no consent, authorization or approval of, giving of notice to or registration with, or taking of any other action in respect of, the Interstate Commerce Commission or any other governmental or public body or authority of the United States of America, or of any State thereof or the District of Columbia, is necessary for the valid execution, delivery and performance by the Indenture Trustee of this Agreement or the Trust Indenture.

(d) An opinion of counsel for the Owner, dated as of such Lenders' Closing Date, to the effect that:

(i) this Agreement, the Trust Agreement, each Indemnity Agreement, the Bills of Sale and the assignments of the Bills of Sale to the Owner Trustee have been duly authorized, executed and delivered by the Owner or CMSC, as appropriate, and, assuming due authorization, execution and delivery by the other parties thereto, are legal and valid instruments binding upon the Owner or CMSC, as appropriate, and enforceable against the Owner or CMSC, as appropriate, in accordance with their terms;

(ii) to the knowledge of such counsel, there do not exist any liens, charges or security interests under or pursuant to any contract, agreement or other instrument to which the Owner is a party or by which its property is bound on or with respect to the Estate or the Trust Estate, or any part thereof (other than the rights of the Owner under the Trust Agreement, the rights of the Indenture Trustee and the Lenders under the Trust Indenture and the rights of the Lessee under the Manufacturing Agreement and the Lease); and

(iii) no consent, authorization or approval of,

giving of notice to or registration with, or taking of any other action in respect of, the Interstate Commerce Commission or any other governmental or public body or authority of the United States of America, or of any State thereof or the District of Columbia, is necessary for the valid execution, delivery and performance by the Owner or CMSC, as appropriate, of this Agreement, the Trust Agreement, either Indemnity Agreement or the Bills of Sale (or the assignments thereof to the Owner Trustee).

(e) An opinion of counsel for the Lessee, dated as of such Lenders' Closing Date, to the effect set forth in clause (v) of subparagraph (a) of this Paragraph 3, and to the further effect that:

(i) the Lessee is a corporation duly organized and validly existing in good standing under the laws of the state of its incorporation 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, the Manufacturing Agreement, the Lease, the Bills of Sale and the Indemnity Agreements;

(ii) the Lessee has the full power, authority and legal right to enter into and perform its obligations under this Agreement, the Manufacturing Agreement, the Lease, the Bills of Sale and the Indemnity Agreements and the execution, delivery and performance of this Agreement, the Manufacturing Agreement, the Lease, the Bills of Sale and the Indemnity Agreements have been duly authorized by all necessary corporate action on the part of the Lessee, do not require any stockholder approval or approval or consent of any trustee or holders of any indebtedness or obligations of the Lessee, or such required approvals and consents have heretofore been duly obtained, certified copies thereof having been delivered to the Owner Trustee, the Indenture Trustee, the Lenders and the Owner, and do not contravene any law, governmental rule, regulation or order binding on the Lessee or the certificate of incorporation or by-laws of the Lessee and will not result in any breach of, or constitute a default under, any material indenture, mortgage, contract or other agreement or instrument to which

the Lessee is a party or by which the Lessee is bound as guarantor or otherwise;

(iii) no consent, authorization or approval of, giving of notice to or registration with, or taking of any other action in respect of, the Interstate Commerce Commission or any other governmental or public body or authority of the United States of America, or of any State thereof or the District of Columbia, is necessary for the valid execution, delivery and performance of this Agreement, the Manufacturing Agreement, the Lease, the Trust Agreement, the Trust Indenture, the Bills of Sale (or the assignments thereof to the Owner Trustee) or the Indemnity Agreements;

(iv) there are no pending or threatened actions or proceedings before any court or administrative agency which will in the opinion of such counsel materially adversely affect the condition, business or operations of the Lessee and its subsidiaries, taken as a whole, or the ability of the Lessee to perform its obligations under this Agreement, the Manufacturing Agreement, the Lease, the Bills of Sale and the Indemnity Agreements;

(v) this Agreement, the Manufacturing Agreement, the Lease, the Bills of Sale and the Indemnity Agreements have been duly authorized, executed and delivered by the Lessee and, assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding agreements of the Lessee, enforceable in accordance with their terms;

(vi) no existing mortgage, deed of trust or other lien or encumbrance of any nature whatsoever, which now covers or affects any property or interests therein of the Lessee, now attaches or hereafter will attach to the Equipment or in any manner affects or will affect adversely the Owner Trustee's, the Indenture Trustee's, the Lenders' or the Owner's right, title and interest therein or in the Estate or the Trust Estate; provided, however, that, pursuant to the Consolidated Mortgage and the First and Refunding and General Mortgages, such liens may attach to the leasehold interest of the Lessee under the Lease in and to the Equipment, which

liens are subject and subordinate to the rights of the Lenders under the Trust Indenture and the ownership interest and other rights and interests of the Owner Trustee and the Owner under the Bills of Sale, the Manufacturing Agreement and the Lease; and

(vii) at the time of delivery to the Owner Trustee of the units of Equipment being financed on such Lenders' Closing Date, the Owner Trustee had legal title to such units free from all claims, liens, security interests and other encumbrances (other than the rights of the Owner under the Trust Agreement, the rights of the Indenture Trustee and the Lenders under the Trust Indenture and the rights of the Lessee under the Manufacturing Agreement and the Lease).

(f) A certificate of an officer of the Lessee dated as of such Lenders' Closing Date to the effect that the Lessee is not in default under this Agreement, the Manufacturing Agreement, the Lease, the Bills of Sale or the Indemnity Agreements and that the representations and warranties of the Lessee set forth in this Agreement, the Manufacturing Agreement and the Lease are true and correct on and as of such Lenders' Closing Date as though made on and as of such date; and that nothing shall have occurred which materially and adversely has affected or will affect the ability of the Lessee to carry on its business and to perform its obligations under this Agreement, the Manufacturing Agreement, the Lease, the Bills of Sale or the Indemnity Agreements or which would otherwise materially and adversely affect the financial position or prospects of the Lessee.

(g) A certificate of an officer of the Owner dated such Lenders' Closing Date to the effect that, to the knowledge of such officer, the Owner is not in default under this Agreement, the Trust Agreement or the Bills of Sale and that the representations and warranties of the Owner set forth in Paragraph 10 of this Agreement are true and correct on and as of such Lenders' Closing Date as though made on and as of such date.

(h) Copies of the documents specified in subparagraphs (b)(i), (b)(ii) and (b)(iii) of Paragraph 4 hereof delivered on Manufacturing Agreement Closing Dates with respect to the Equipment being financed on such Lenders' Closing Date.

In giving the opinions specified in clauses (a), (b), (c), (d) and (e) of this Paragraph 3, counsel may qualify its

opinion to the effect that any agreement is a legal, valid and binding instrument enforceable in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally, applicable laws which may affect the remedies provided in the Lease, the Trust Agreement and the Trust Indenture, which laws do not in the opinion of such counsel make the remedies provided in such document inadequate for the realization of the benefits provided thereby, and principles of equity applicable to the enforceability of the remedy of specific performance. In giving the opinions specified in clauses (a) and (d) of this Paragraph 3, counsel may rely as to any matter governed by the law of any jurisdiction other than the State of New York or the United States, on the opinions of counsel for the Lessee, the Owner Trustee, the Indenture Trustee or the Owner as to such matter.

Following each Lenders' Closing Date, the Indenture Trustee will promptly deliver one counterpart or copy of each document specified in this Paragraph 3 to each Lender who shall request the same.

4. The obligation of the Owner to make available to the Owner Trustee pursuant to Paragraph 1 hereof any amounts required to be made available by the Owner to the Owner Trustee on any Manufacturing Agreement Closing Date and the obligation of the Owner Trustee to make such amounts available to the Lessee shall be subject to the following:

(a) On the first date of delivery of any unit of Equipment under the Manufacturing Agreement next succeeding the execution and delivery of this Agreement (such date being hereinafter called the First Delivery Date) the Owner Trustee and the Owner shall have received opinions of counsel, in scope and substance satisfactory to the Owner and its special counsel, Messrs. Milbank, Tweed, Hadley & McCloy, from the same persons and to the same effect as the opinions of counsel set forth in subparagraphs (b) and (e) (other than subclause (vii) thereof) of Paragraph 3 hereof and the following additional documents in scope and substance satisfactory to the Owner and said special counsel:

(i) a Certificate of an officer of the Lessee dated the First Delivery Date to the effect that the Lessee is not in default under this Agreement,

the Manufacturing Agreement, the Lease, the Bills of Sale or the Indemnity Agreements; that the representations and warranties of the Lessee set forth in this Agreement, the Manufacturing Agreement and the Lease are true and correct on and as of the First Delivery Date as though made on and as of such date; and that nothing shall have occurred which materially and adversely has affected or will affect the ability of the Lessee to carry on its business and to perform its obligations under this Agreement, the Manufacturing Agreement, the Lease, the Bills of Sale or the Indemnity Agreements or which would otherwise materially and adversely affect the financial position or prospects of the Lessee; and

(ii) an opinion of a qualified expert of the Lessee to the effect that the Equipment has a useful life of not less than 21 years and an estimated fair market value at the expiration of the original term of the Lease of not less than 20% of the Cost of Construction, which opinion shall in form and substance satisfy the requirements of Section 4.02(6) of Rev. Proc. 75-28.

(b) On such Manufacturing Agreement Closing Date the Owner Trustee and the Owner shall have received the following additional documents:

(i) an instrument from the Contractor to the Owner Trustee warranting to the Owner Trustee, the Indenture Trustee, the Owner and the Lenders that, at the time of delivery under the Manufacturing Agreement of the units of Equipment which are being paid for on such Manufacturing Agreement Closing Date, the Owner Trustee had legal title to such units free of all claims, liens, security interests and other encumbrances of any nature except only the rights of the Lenders and the Owner under the Trust Agreement and the Trust Indenture and the rights of the Lessee under the Manufacturing Agreement and the Lease, and covenanting to defend the title to such units against demands of all persons whomsoever based on claims originating prior to the delivery of such units by the Contractor under the Manufacturing Agreement;

(ii) a Certificate or Certificates of Acceptance

with respect to such units of Equipment as contemplated by Article 2 of the Manufacturing Agreement and § 2 of the Lease, such Certificate or Certificates to contain a certification to the effect set forth in subparagraph (a)(i) of Paragraph 4 of this Agreement and have attached an opinion of counsel of the Lessee to the effect set forth in subparagraph (e)(vii) of Paragraph 3 of this Agreement, in each case speaking as of the respective delivery dates of such Units of Equipment; and

(iii) an invoice of the Contractor for such units of Equipment accompanied by or having endorsed thereon a certification by the Owner Trustee or its agent as to its approval thereof.

Notwithstanding the foregoing, the Owner shall not be required to make available to the Owner Trustee pursuant to Paragraph 1 hereof any amounts which would otherwise have been required to be paid by the Owner Trustee on any Manufacturing Agreement Closing Date in so far as such amounts are made available with respect to, and the Owner Trustee shall not be required to make payment to the Contractor on such Manufacturing Agreement Closing Date in respect of, units of Equipment delivered after the Owner shall have reasonably made a determination (and shall have notified the Owner Trustee and the Lessee with respect thereto in writing) that:

(i) a material adverse change has occurred which has affected or will affect the ability of the Lessee to carry on its business and to perform its obligations under this Agreement, the Manufacturing Agreement, the Lease, the Bills of Sale or the Indemnity Agreements or which would otherwise materially and adversely affect the financial position and prospects of the Lessee; or

(ii) a change has occurred after the date hereof and prior to the delivery of such unit of Equipment in applicable law or regulations thereunder or interpretations thereof by appropriate regulatory authorities which, in the opinion of special counsel for the Owner, Messrs. Milbank, Tweed, Hadley & McCloy, would make it illegal or inappropriate for the Owner to consummate the transactions contemplated hereby on any subsequent Manufacturing Agreement Closing Date.

Additionally, the Owner may request delivery to the Owner Trustee and the Owner of copies of documents specified in

subparagraph (a) of Paragraph 4 hereof to be dated the date specified in such request, and, absent receipt of such documents, the Owner shall not be required to make available to the Owner Trustee pursuant to Paragraph 1 hereof any amounts which would otherwise have been required to be paid by the Owner Trustee on any Manufacturing Agreement Closing Date with respect to, and the Owner Trustee shall not be required to make payment to the Contractor on such Manufacturing Agreement Closing Date in respect of, the payment of the Cost of Construction for any unit of Equipment delivered after the date specified in such request.

5. The Lessee hereby represents and warrants to the Owner and the Lenders as follows:

(i) the Lessee is a corporation duly organized and validly existing in good standing under the laws of the state of its incorporation 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, the Manufacturing Agreement, the Lease, the Bills of Sale and the Indemnity Agreements;

(ii) the Lessee has the full power, authority and legal right to enter into and perform its obligations under this Agreement, the Manufacturing Agreement, the Lease, the Bills of Sale and the Indemnity Agreements and the execution, delivery and performance of this Agreement, the Manufacturing Agreement, the Lease, the Bills of Sale and the Indemnity Agreements have been duly authorized by all necessary corporate action on the part of the Lessee, do not require any stockholder approval or approval or consent of any trustee or holders of any indebtedness or obligations of the Lessee, or such required approvals and consents have heretofore been duly obtained, certified copies thereof having been delivered to the Owner Trustee, the Indenture Trustee, the Lenders and the Owner, and do not contravene any law, governmental rule, regulation or order binding on the Lessee or the certificate of incorporation or by-laws of the Lessee and will not result in any breach of, or constitute a default under, any indenture, mortgage, contract or other agreement or instrument to which the Lessee is a party or by which the Lessee is bound as guarantor or otherwise;

(iii) no consent, authorization or approval of,

giving of notice to or registration with, or taking of any other action in respect of, the Interstate Commerce Commission or any other governmental or public body or authority of the United States of America, or of any State thereof or the District of Columbia, is necessary or advisable for the valid execution, delivery and performance of this Agreement, the Manufacturing Agreement, the Lease, the Trust Agreement, the Trust Indenture, the Bills of Sale (or the assignments thereof to the Owner Trustee) or the Indemnity Agreements;

(iv) there are no pending or threatened actions or proceedings before any court or administrative agency and the Lessee is not a party to any agreement or instrument or subject to any charter or other corporate restriction which, individually or in the aggregate, materially adversely affects or it is anticipated will materially adversely affect the condition, business or operations of the Lessee and its subsidiaries, taken as a whole, or the ability of the Lessee to perform its obligations under this Agreement, the Manufacturing Agreement, the Lease, the Bills of Sale and the Indemnity Agreements;

(v) this Agreement, the Manufacturing Agreement, the Lease, the Bills of Sale and the Indemnity Agreements have been duly authorized, executed and delivered by the Lessee and, assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding agreements of the Lessee, enforceable in accordance with their terms except as limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the rights of creditors generally and by applicable laws which may affect the remedies provided in the Lease, which laws do not make the remedies provided in such document inadequate for the realization of the benefits provided thereby;

(vi) no existing mortgage, deed of trust or other lien or encumbrance of any nature whatsoever, which now covers or affects any property or interests therein of the Lessee, now attaches or hereafter will attach to the Equipment or in any manner affects or will affect adversely the Owner Trustee's, the Indenture Trustee's, the Lenders' or the Owner's right, title and interest therein or in the Estate or the Trust Estate; <u>provided, however</u>, that, pursuant to the Consolidated Mortgage

and the First and Refunding and General Mortgages, such liens may attach to the leasehold interest of the Lessee under the Lease in and to the Equipment, which liens are subject and subordinate to the rights of the Lenders under the Trust Indenture and the ownership interest and other rights and interests of the Owner Trustee and the Owner under the Bills of Sale, the Manufacturing Agreement and the Lease;

(vii) at the time of delivery to the Owner Trustee of the units of Equipment, the Owner Trustee will have legal title to such units free from all claims, liens, security interests and other encumbrances (other than the rights of the Lenders and the Owner under the Trust Agreement and the Trust Indenture and the rights of the Lessee under the Manufacturing Agreement and the Lease);

(viii) the financial statements contained in the Railroad Annual Report Form R-1 (or Form A, as the case may be) of the Lessee for the three fiscal years ended December 31, 1974, and the financial statements contained in the quarterly reports on forms CBS and RE&I for the quarterly period ended March 31, 1975, correctly set forth the financial condition of the Lessee as of the dates, and the results of operations thereof for the periods covered thereby, and the Lessee has furnished the Lessor, the Owner and the Lenders with true and correct copies of such financial statements;

(ix) the Equipment has an estimated useful life of at least 21 years and an estimated fair market value on the expiration of the initial term of the Lease of at least 20% of the Cost of Construction; and

(x) the Cost of Construction of the Equipment shall not exceed in the aggregate the cost which would be charged by an independent manufacturer constructing property identical to the Equipment under circumstances identical with those contemplated by this Agreement and the Manufacturing Agreement.

6. The Indenture Trustee will hold all its estate, right, title and interest in and to the Trust Estate in trust for the benefit of the Lenders and for payment to the Lenders and the Owner in accordance with the priorities set forth in Article III of the Trust Indenture. It is expressly understood and agreed that the obligations of the Indenture Trustee hereunder and under the Trust Indenture as such holder and with respect to the payments to the Lenders and the Owner to be made by the Indenture Trustee are only those expressly set forth herein and in the Trust Indenture.

The Indenture Trustee will apply all sums received by it constituting part of the Trust Estate as provided in Article III of the Trust Indenture. In the event of a payment under the Trust Indenture of amounts arising from a Casualty Occurrence (as defined in the Lease), the Indenture Trustee will furnish to each Lender a revised schedule or schedules of payments showing the reduction of such Lender's interest in the instalments of principal remaining unpaid and the interest payable thereon under the Trust Indenture.

A Lender shall have no further interest in, or other right with respect to, the Trust Estate when and if principal and interest referred to in the certificate or certificates of interest held by such Lender and all other sums payable to such Lender hereunder or under the Trust Indenture shall have been paid in full. Each Lender agrees that it will look solely to the income and proceeds from the Trust Estate as provided in the Trust Indenture and that neither the Owner, the Owner Trustee nor the Indenture Trustee is personally liable to the Lenders for any amounts payable hereunder or under the Trust Indenture except as set forth herein or therein.

The Owner hereby agrees for the benefit of the Lenders to comply with all the terms of the Trust Agreement (as the same may hereafter be amended from time to time in accordance with the terms thereof) applicable to it and affecting the interests of the Lenders including, without limitation, the second paragraph of Section 7.01 thereof. The Owner Trustee hereby agrees for the benefit of the Lenders to comply with all the terms of the Trust Agreement (as aforesaid) applicable to it and affecting the interests of the Lenders including, without limitation, the last sentence of Section 5.04 thereof. The Lessee hereby consents in all respects to the execution and delivery of the Trust Agreement and the Trust Indenture and to all the terms thereof, and the Lessee acknowledges receipt of an executed counterpart of the Trust Agreement and the Trust Indenture, it being agreed that such consent shall not be construed to require the Lessee's consent to any future supplement to or amendment, waiver or modification of the terms of the Trust Agreement or the Trust Indenture.

Neither any Lender nor the Owner shall have any obligation or duty to the Lessee or to any other Lender or the Owner with respect to the transactions contemplated hereby except those obligations or duties expressly set forth in this Agreement. Without limitation of the generality of the

foregoing, under no circumstances whatsoever shall any Lender or the Owner as such be liable to the Lessee, or shall any Lender or the Owner be liable to any other Lender or the Owner for any action or inaction on the part of the Owner Trustee or the Indenture Trustee in connection with the Trust Agreement, the Trust Indenture, the Lease, the Manufacturing Agreement, the ownership of the Equipment, the administration of the trusts created by the Trust Agreement and the Trust Indenture or otherwise, whether or not such action or inaction is caused by the wilful misconduct or negligence of the Owner Trustee or the Indenture Trustee.

7. All payments to be made by the Indenture Trustee to any Lender under the Trust Indenture shall (subject to timely receipt by the Indenture Trustee of available funds) be made by check mailed to such Lender or its nominees on the date such payment is due or, if so specified in Schedule A hereto or upon written request of such Lender, by bank wire to the account of such Lender or its nominee at such banking institution as may be specified to the Indenture Trustee in writing.

8. The Lessee will furnish the Owner Trustee, the Indenture Trustee, the Owner and each Lender (i) within 60 days after the end of each of the first three quarterly fiscal periods of the Lessee consolidated balance sheets of the Lessee and its consolidated subsidiaries as of the close of such periods, together with the related statements of income and surplus all in reasonable detail and certified by the Treasurer of the Lessee and (ii) within 90 days after the close of each fiscal year of the Lessee the consolidated balance sheet of the Lessee and its consolidated subsidiaries as of the close of such fiscal year, together with the consolidated statements of income, surplus and source and application of funds for such fiscal year, all in reasonable detail and certified by a recognized national firm of independent public accountants, including their certificates and accompanying comments, (iii) within 90 days after the close of each fiscal year of the Lessee a certificate of the Lessee, signed by a principal financial officer or a vice president of the Lessee, to the effect that the signer has reviewed the relevant terms of this Agreement and the Lease and has made, or caused to be made under his supervision, a review of the transactions and condition of the Lessee during the preceding fiscal year, and that such review has not disclosed the existence during such period, nor does the signer have knowledge of the existence as at the date of such certificate, of any condition or event which constitutes an Event of Default

(as defined in the Lease) or which, after notice or lapse of time or both, would constitute an Event of Default or, if any such condition or event existed or exists, specifying the nature and period of existence thereof and what action the Lessee has taken or is taking or proposes to take with respect thereto, (iv) promptly upon the filing of the same, the annual report under the Securities Exchange Act of 1934 of the Lessee for each fiscal year of the Lessee, and (v) from time to time such other information as the Owner Trustee, the Indenture Trustee, the Owner or the Lenders may reasonably request. The Lessee will furnish the Owner Trustee, the Indenture Trustee, the Owner and each Lender from time to time on request such information as the Owner Trustee or the Indenture Trustee may be required to furnish to any person pursuant to the Trust Agreement or the Trust Indenture.

9. As provided in Section 5.03 of the Trust Indenture, in case the Indenture Trustee is required to take action hereunder on behalf of the Lenders or action under the Trust Indenture on behalf of the Lenders, the Indenture Trustee shall be indemnified by the Lenders in proportion to their respective interests in the Trust Estate at the time such action is taken against any liability or expenses, including without limitation reasonable counsel fees, in connection with the taking of such action.

10. Each Lender (other than Acacia Retirement Plan for Agents, Managers and Employees) represents that it is acquiring its interest in amounts payable under the Trust Indenture and its interest in the Trust Estate for its own account and with its own general corporate assets, or for the account of one or more pension or trust funds or other institutional accounts, each of which is a "governmental plan" as defined in Section 3(32) of the Employee Retirement Income Security Act of 1974 and in Section 414(d) of the Internal Revenue Code of 1954, for investment and not with a view to, or for sale in connection with, the distribution of the same, nor with any present intention of distributing or selling the same but subject, nevertheless, to any requirement of law that the disposition of its property shall at all times be within its control. The Acacia Retirement Plan for Agents, Managers and Employees represents that it is acquiring its interest in amounts payable under the Trust Estate for its own account and with its own general assets, for investment and not with a view to, or for sale in connection with, the distribution of the same, nor with any present intention of distributing or selling the same but subject, nevertheless to any requirement of law that the disposition

of its property shall at all times be within its control. Each Lender, if acquiring an interest in amounts payable under the Trust Indenture and its interest in the Trust Estate for the account of one or more pension or trust funds or other institutional accounts, represents that (except to the extent that it has otherwise advised Messrs. Cravath, Swaine & Moore and the Owner in writing) it has sole investment discretion in respect of each such account for which it is acting.

The interest of the Lenders hereunder and under the Trust Indenture has not been registered under the Securities Act of 1933 and, accordingly, must be held indefinitely, unless an exemption from registration is available. Each Lender agrees that it will not transfer its interest hereunder or under the Trust Indenture in violation of said Act. Each Lender hereby agrees that any transfer authorized pursuant to the next preceeding sentence of all or any part of its interest in amounts payable under the Trust Indenture and its interest in the Trust Estate shall be upon the express condition that the transferee thereof shall be bound by the terms of this Agreement. Prior to any such transfer any Lender proposing to transfer its interest shall notify the Indenture Trustee in writing thereof, surrender the appropriate certificate of interest theretofore delivered to it and the Indenture Trustee shall cause to be prepared and delivered to such Lender an appropriate agreement, to be entered into among such Lender, such transferee (including any "separate account" maintained by an insurance company that acquired its interest from another "separate account" or a general account of that insurance company) and the Indenture Trustee, evidencing such transfer upon the terms hereof, and such transferee shall make the representations set forth in the first pararaph of this Paragraph 10.

The Lessee represents and warrants that it has not directly or indirectly offered or sold any interest in the Estate (as defined in the Trust Agreement) or in the Trust Estate to, solicited offers to buy any thereof from, or otherwise approached or negotiated in respect of the purchase or sale or other disposition of any thereof with, any person so as to bring the transactions contemplated hereby within the provisions of Section 5 of the Securities Act of 1933, as amended. The Lessee will not offer any conditional sale indebtedness or other securities to, or solicit any offer to buy any thereof from, any other person or approach or negotiate with any other person in respect thereof, so as to bring the transactions contemplated hereby within the provisions of Section 5 of said Securities Act.

The Owner represents and warrants that it has not directly or indirectly offered or sold any interest in the Estate or in the Trust Estate to, solicited offers to buy any thereof from, or otherwise approached or negotiated in respect of the purchase or sale or other disposition of any thereof with, any person so as to bring the transactions contemplated hereby within the provisions of Section 5 of the Securities Act of 1933, as amended. The Owner will not offer any conditional sale indebtedness or other securities to, or solicit any offer to buy any thereof from, any other person or approach or negotiate with any other person in respect thereof, so as to bring the transactions contemplated hereby within the provisions of Section 5 of said Securities Act.

The Owner further represents and warrants that there do not exist any liens, charges or security interests (including tax liens of which notice has been filed pursuant to Section 6323 of the Internal Revenue Code of 1954, as amended) claimed by any party from, through or under the Owner not arising out of the transactions contemplated hereby which, if unpaid or undischarged, are or might become a lien, charge or security interest on or with respect to the Estate or the Trust Estate, or any part thereof, equal or superior to the Lenders' interest therein.

11. All documents and funds deliverable hereunder to the Owner Trustee shall be delivered to it at its address at 111 West Monroe Street, Chicago, Illinois 60690, attention of Corporate Trust Division, or as the Owner Trustee may otherwise specify. All documents and funds deliverable hereunder to the Indenture Trustee shall be delivered to it at its address at 231 South LaSalle Street, Chicago, Illinois 60693, attention of Corporate Trust Department, or as the Indenture Trustee may otherwise specify. All documents, notices and funds deliverable hereunder or under the Trust Indenture to any Lender shall be delivered or mailed to it at its address as set forth in Schedule A hereto, or as it may otherwise specify. All documents deliverable hereunder to the Owner shall be delivered to it at 1 Chase Manhattan Plaza, New York, New York 10015.

12. The Owner hereby acknowledges that, pursuant to § 17(b) of the Lease, the Lessee has agreed and covenanted to pay directly to the Indenture Trustee all amounts required to be paid by the Lessee pursuant to the Indemnity Agreements for application as provided in the Trust Indenture. The Owner and the Lessee agree for the benefit of the Lenders that, without the Lenders' consent, the Indemnity Agreements

shall not be amended so as to decrease or eliminate any indemnity payments required to be made by the Lessee thereunder or permit any deduction from or offset against such payments by reason of any amounts payable to the Lessee by the Owner or CMSC or on their behalf.

13. The Owner agrees to pay or cause payment to be made of all reasonable costs and expenses (up to but not exceeding an amount equal to the product of (i) $100,000 multiplied by (ii) a fraction the numerator of which is the number of units of the Equipment delivered and settled for under the Manufacturing Agreement and the denominator of which is the number 800) incident to the preparation, execution and delivery of this Agreement, the Lease, the Trust Agreement, the Trust Indenture, the Manufacturing Agreement, the Bills of Sale (and the assignments thereof) and the Indemnity Agreements, including the reasonable fees, expenses and disbursements of special counsel for the Owner Trustee, the Indenture Trustee, the Owner and the Lenders (but not including the fees, expenses and disbursements of counsel for the Lessee or any other counsel), and all reasonable fees and expenses related to the placement of the investments to be made by the Lenders hereunder. The Lessee shall pay such costs and expenses in excess of the amount specified in the preceding sentence hereof, and all other fees and expenses including reasonable fees and expenses of the Owner Trustee and the Indenture Trustee in connection with the transaction contemplated hereby and, in the event that such transaction is not consummated, all fees and expenses, including those set forth above for which the Owner would otherwise be responsible.

14. The Owner Trustee, the Lessee and CMSC have previously entered into a participation agreement dated August 15, 1975, and CMSC has conveyed, transferred and assigned its interest thereunder to the Owner. This Agreement, the Exhibits annexed hereto, the Bills of Sale (and the assignments thereof to the Owner Trustee) and the Indemnity Agreements exclusively and completely state the rights and agreements of the parties hereto with respect to the subject matter of said participation agreement and the Equipment and supersede all prior agreements, oral or written, with respect thereto.

15. The terms of this Agreement and all rights and obligations of the parties hereto hereunder shall be governed by the laws of the State of New York. Such terms, rights and obligations may not be changed orally, but may be changed only by an agreement in writing signed by the party against whom enforcement of such change is sought.

16. This Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by duly authorized officers or other persons, as of the date first above written.

ILLINOIS CENTRAL GULF RAILROAD COMPANY,

by

_____
Title:

[CORPORATE SEAL]

ATTEST:

_____
Title:

HARRIS TRUST AND SAVINGS BANK, as Owner Trustee,

by

_____
Title:

[CORPORATE SEAL]

ATTEST:

_____
Title:

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, as Indenture Trustee,

by

_____
Title:

[CORPORATE SEAL]

ATTEST:

_____
Title:

CHASE MANHATTAN REALTY
LEASING CORPORATION,

by

_____
Title:

[CORPORATE SEAL]

ATTEST:

_____
Title:

TEACHERS INSURANCE AND ANNUITY
ASSOCIATION,

by

_____
Title:

by

_____
Title:

LOS ANGELES COUNTY EMPLOYEES
RETIREMENT ASSOCIATION,

by

_____
Title:

GENERAL AMERICAN LIFE INSURANCE
COMPANY,

by

_____
Title:

OCCIDENTAL LIFE INSURANCE
COMPANY OF CALIFORNIA,

by

_____
Title:

THE OHIO NATIONAL LIFE INSURANCE COMPANY,

by

_____

Title:

PILOT LIFE INSURANCE COMPANY,

by

_____

Title:

INDIANAPOLIS LIFE INSURANCE COMPANY,

by

_____

Title:

PAN-AMERICAN LIFE INSURANCE COMPANY,

by

_____

Title:

ACACIA RETIREMENT PLAN FOR AGENTS, MANAGERS AND EMPLOYEES,

by

_____

Title:

BERKSHIRE LIFE INSURANCE COMPANY,

by

_____

Title:

THE AMERICAN LIFE INSURANCE
COMPANY OF NEW YORK,

by

_____
Title:

TRANSAMERICA LIFE INSURANCE
AND ANNUITY COMPANY,

by

_____
Title:

Schedule A
to
Participation Agreement

Name and Address	First Lenders' Closing Date (Scheduled for November 13, 1975)	Second Lenders' Closing Date (Scheduled for January 30, 1976)	Total
Teachers Insurance and Annuity Association* 730 Third Avenue New York, N.Y. 10017 Attention: Securities Division	$3,117,103.46	$3,766,958.95	$ 6,884,062.41
Los Angeles County Employees Retirement Association 437 Hall of Administration 500 West Temple Street Los Angeles, California 90012 Attention: Janet H. Codding, Portfolio Manager	1,496,185.33	1,808,110.90	3,304,296.23
General American Life Insurance Company** Post Office Box 396 St. Louis, Missouri 63166 Attention: Securities Department	894,060.23	--	894,060.23
Occidental Life Insurance Company of California Post Office Box 2101 Terminal Annex Los Angeles, California 90054 Attention: Securities Accounting	599,366.53	384,166.88	983,533.41
The Ohio National Life Insurance Company*** Post Office Box 237 Cincinnati, Ohio 45201 Attention: Securities Department	--	983,533.41	983,533.41

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* Payments of principal and interest and any other payments should be made by bank wire transfer to Account No. 08650016, First National City Bank, 111 Wall Street, New York, New York 10015. Wire instructions to said bank to telephone advice of credit to TIAA's Cash Management Department at (212) 490-9000.

** Payments of principal and interest and any other payments should be made to General American Life Insurance Company, Post Office Box 418, St. Louis, Missouri 63166, Attention: Investment Accounting Department.

*** Payments of principal and interest and any other payments should be made by bank wire transfer to Account No. 910-275-7, The First National Bank of Cincinnati, P. O. Box 1038, Cincinnati, Ohio 45201, Attention of William R. Trimpe.

Name and Address	First Lenders' Closing Date (Scheduled for November 13, 1975)	Second Lenders' Closing Date (Scheduled for January 30, 1976)	Total
Pilot Life Insurance Company Post Office Box 20727 Greensboro, North Carolina 27420 Attention: Securities Administration	$ 445,343.93	$ 538,189.48	$ 983,533.41
Indianapolis Life Insurance Company 2960 North Meridian Street Indianapolis, Indiana 46208 Attention: Securities Department	333,988.94	403,619.15	737,608.09
Pan-American Life Insurance Company* 2400 Canal Street New Orleans, Louisiana 70119 Attention: Investment Department	--	737,608.09	737,608.09
Acacia Retirement Plan for Agents, Managers and Employees 51 Louisiana Avenue, N.W. Washington, D.C. 20001 Attention: Trustees	222,633.96	269,048.81	491,682.77
Berkshire Life Insurance Company 700 South Street Pittsfield, Massachusetts 01201 Attention: Securities Department	491,682.77	--	491,682.77
The American Life Insurance Company of New York Post Office Box 2101 Terminal Annex Los Angeles, California 90054 Attention: Mark Friedlich Treasury Department	--	147,555.19	147,555.19
Transamerica Life Insurance and Annuity Company Post Office Box 2101 Terminal Annex Los Angeles, California 90054 Attention: Occidental Life Insurance Company of California—Securities Accounting	--	147,555.19	147,555.19
	$ 7,600,365.15	$ 9,186,346.05	$ 16,786,711.20

* Payments of principal and interest and any other payments should be made in care of Investment Administrative Division.

EXHIBIT A TO
PARTICIPATION AGREEMENT

MANUFACTURING AGREEMENT dated as of August 1, 1975, between ILLINOIS CENTRAL GULF RAILROAD COMPANY (hereinafter called the Contractor) and HARRIS TRUST AND SAVINGS BANK (hereinafter called the Company), as owner trustee under a restated Trust Agreement dated as of the date hereof (hereinafter called the Trust Agreement) with Chase Manhattan Realty Leasing Corporation (hereinafter called CMRLC).

WHEREAS the Company desires to have the units of new, standard gauge railroad equipment (hereinafter referred to individually as a Unit and collectively as Units or the Equipment) described in Item 1 of Annex A attached hereto constructed or completed from materials acquired and owned by the Company or to be purchased by the Contractor as an independent contractor acting on behalf of the Company and owned by the Company, and with labor and other services to be paid for by the Company pursuant hereto, such Equipment to be the property of the Company;

WHEREAS Chase Manhattan Service Corporation has assigned and CMRLC is assigning to the Company all right, title and interest in certain parts to be used in the construction of the Equipment, such parts being acquired from the Contractor pursuant to certain bills of sale (hereinafter called the Bills of Sale);

WHEREAS the Company has requested the Contractor to construct the Equipment, title thereto and to all materials used in connection therewith to remain in the Company throughout the period of construction and thereafter, and the Contractor desires to perform such work for the Company; and

WHEREAS the Company is entering into a restated Participation Agreement dated as of the date hereof (hereinafter called the Participation Agreement) with the Contractor, Continental Illinois National Bank and Trust Company of Chicago (hereinafter called the Indenture Trustee), as indenture trustee under a Trust Indenture and Mortgage dated as of the date hereof (hereinafter called the Trust Indenture) with the Company, CMRLC and the lenders listed in Schedule I thereto (hereinafter called the Lenders) substantially in the form of Annex B hereto providing for the financing of the Cost of Construction of the Equipment to be paid on the Closing Dates (Cost of Construction and Closing Dates being hereinafter defined);

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

ARTICLE 1. Construction of Equipment. Subject to the terms and conditions hereinafter set forth, the Contractor, as an independent contractor, agrees to construct and assemble the Equipment for the Company and as its property and agrees to deliver the Equipment as hereinbelow provided, and the Company agrees that it will pay the Contractor the Cost of Construction of the Equipment, each Unit of which will be constructed in accordance with the specifications referred to in Item 1 of Annex A hereto and in accordance with such modifications thereof as may have been agreed upon in writing by the Contractor and the Company (which specifications and modifications, if any, are hereinafter called the Specifications) and will, at or before delivery thereof to the Company or its duly appointed representative pursuant to Article 2 hereof, have the following ownership markings stencilled on each side thereof in a conspicuous place 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 Contractor agrees that the design, quality and component parts of the Equipment will conform, on the date of completion of manufacture thereof, to all Department of Transportation and Interstate Commerce Commission requirements and specifications and to all standards recommended by the Association of American Railroads reasonably interpreted as being applicable to new railroad equipment of the character of the Units of the Equipment; provided, however, that if any such requirements, specifications or standards shall have been promulgated or amended after the respective dates on which the Equipment was ordered, the Cost of Construction of the Equipment affected thereby may be appropriately adjusted by written agreement of the Contractor and the Company.

The Contractor agrees that in the construction of the Equipment there shall be used exclusively articles, supplies, materials and parts (hereinafter collectively called materials) acquired and owned by the Company and furnished to the Contractor or to be purchased by the Contractor as an independent contractor acting on behalf of the Company and owned by the Company.

The Company hereby authorizes the Contractor to act for the Company in the purchase, for the account of the Company, of all materials necessary in the construction of the Equipment, and the Contractor, as an independent contractor, agrees to enter into appropriate contracts, at the lowest practicable prices, with the sellers of materials necessary for the construction of the Equipment, the cost of such materials to be part of the Cost of Construction. Every contract for the purchase of such materials shall be entered into by the Contractor as independent contractor and shall expressly recite that the purchase is for the Company and that title to the materials upon purchase shall be vested directly and solely in the Company. The Contractor agrees that all title to and property in the materials purchased for the construction of the Equipment shall be vested in the Company free and clear of all liens, charges and other encumbrances of any other kind and nature, whether of the Contractor or others, and the Contractor hereby specifically waives any right it has or may have to claim any lien or charges for any purpose whatsoever upon the Equipment or upon any materials used in the construction thereof.

ARTICLE 2. Delivery. The Contractor will deliver the Equipment to the Company, freight charges, if any, prepaid, at such point or points within the United States of America as shall be determined by the mutual agreement of the Contractor and the Company and in accordance with the delivery schedule set forth in Item 1 of Annex A hereto; provided, however, that no Unit of the Equipment shall be delivered under this Agreement until this Agreement, the Trust Agreement and the Trust Indenture shall have been filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act.

The Contractor represents and warrants that at the time of delivery the Equipment will be new railroad equipment free and clear of all liens, claims or charges of any nature whatsoever arising from acts of the Contractor and that, to the best of its knowledge, no amortization or depreciation will have been claimed by any person with respect thereto.

The Contractor's obligation as to time of delivery is subject to delays resulting from causes beyond the Contractor's reasonable control, including, but not limited to, acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion,

sabotage, strikes, labor shortages, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities or delays in receiving necessary materials or delays of carriers or subcontractors.

Notwithstanding the preceding provisions of this Article 2, any Unit of the Equipment not delivered and accepted on or before December 31, 1975 (subject to extension to a date not later than 10 business days prior to the earlier of (i) the final Lenders' Closing Date (as defined in the Participation Agreement) or (ii) June 30, 1976, in the event of the occurrence of one of the causes set forth in the immediately preceding paragraph), shall be excluded from this Agreement and not included in the terms "Equipment" or "Units" as used in this Agreement, and the Company shall be relieved of its obligation to pay for such Equipment. In the event of any such exclusion the Contractor and the Company shall execute an agreement supplemental hereto limiting this Agreement to the Equipment not so excluded herefrom and providing for the assignment to the Contractor of all right, title and interest of the Company in and to the materials owned by the Company and furnished to the Contractor or purchased by the Contractor on behalf of the Company for utilization in the construction of the excluded Equipment, and the Company shall take such other steps, including the execution of instruments of transfer, as may reasonably be requested by the Contractor for the purpose of acknowledging and perfecting the interest of the Contractor in any Unit so excluded from this Agreement or such materials and the Company shall have no further obligation or liability in respect of Units so excluded or such materials.

The Equipment shall be subject to inspection and approval prior to delivery by inspectors or other authorized representatives of the Company, and the Contractor shall grant to any such inspector or other representative reasonable access to its plant. From time to time upon the completion of the construction of each Unit or a number of Units of the Equipment, each Unit shall thereupon be presented to an inspector or other authorized representative of the Company for inspection at the Contractor's plant and, if each such Unit conforms to the Specifications and the other requirements, specifications and standards set forth or referred to in Article 1 hereof, such inspector or authorized representative shall promptly execute and deliver to the Contractor, in such number of counterparts or copies as may be reasonably requested, a certificate of acceptance (hereinafter called

a Certificate of Acceptance) stating that such Unit or Units have been inspected and accepted on behalf of the Company and are marked in accordance with Article 1 hereof; provided, however, that the Contractor shall not thereby be relieved of its warranty contained in Article 5.

On acceptance of each of the Units of the Equipment, pursuant to this Article 2 on behalf of the Company as aforesaid, the Company assumes with respect thereto the responsibility and risk of loss or damage.

ARTICLE 3. Cost of Construction. The cost of construction per Unit of the Equipment is set forth in Item 1 of Annex A hereto. Such cost, which shall include freight charges, if any, prepaid by the Contractor, from the Contractor's plant to the point of delivery and amounts payable pursuant to the Bills of Sale, is subject to such increase or decrease as may be or has been agreed to by the Contractor and the Company. The term "Cost of Construction" as used herein shall mean the cost or costs as so increased or decreased. Payment of the Cost of Construction for any Unit shall be deemed to constitute payment under the Bills of Sale for any materials contained in such Unit and conveyed by any Bill of Sale.

The Equipment shall be settled for on one or more Closing Dates fixed as hereinafter provided (the Equipment settled for on a Closing Date being hereinafter called a Group), provided, however, that each Group other than the Group for which settlement would be made on the final Closing Date shall contain at least 50 Units. Subject to the provisions of Article 4 hereof, the Company hereby promises to pay in immediately available funds to the Contractor at such place as the Contractor may designate, on the Closing Date with respect to a Group, an amount equal to the Cost of Construction of all Units of the Equipment in such Group as set forth in the invoices therefor; provided, however, that at no time shall the aggregate Cost of Construction theretofore paid to the Contractor plus the Cost of Construction which is required to be paid on such Closing Date less the amounts theretofore made available to the Company from the Lenders under the Participaton Agreement exceed $14,300,000.

The term "Closing Date" with respect to a Group of the Equipment shall mean each date specified by the Contractor for settlement of a Group of Equipment, in a written notice

to the Company specifying the Cost of Construction of such Group, but in no event shall such date be earlier than 2 business days nor more than 14 days after the delivery and acceptance of any Unit included in such Group or less than 7 days after the preceding Closing Date.

If on any Closing Date the aggregate Cost of Construction of the Equipment for which settlement has theretofore been and is then being made under this Agreement would, but for the provisions of this sentence, exceed the Maximum Cost of Construction specified in Item 2 of Annex A hereto (or such higher amount as the Company may at its option agree to prior to delivery of any Unit that, but for such agreement, would otherwise be excluded from this Agreement), the Contractor will, upon request of the Company, execute an agreement supplemental hereto excluding from this Agreement such Unit or Units then proposed to be settled for and specified by the Company as will, after giving effect to such exclusion, reduce such aggregate Cost of Construction to not more than the Maximum Cost of Construction specified in Item 2 of Annex A hereto (or such higher amount as aforesaid) and the Company shall take such other steps, including the execution of instruments of transfer, for the purpose of assigning to the Contractor all right, title and interest of the Company in and to the materials owned by the Company and furnished to the Contractor or purchased by the Contractor on behalf of the Company for utilization in the construction of the excluded Equipment, and the Company shall take such other steps, including the execution of instruments of transfer, as may reasonably be requested by the Contractor for the purpose of acknowledging and perfecting the interest of the Contractor in any Unit so excluded from this Agreement or such materials and the Company shall have no further obligation or liability in respect of Units so excluded or such materials.

All payments provided for in this Agreement shall be made in such coin or 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.

ARTICLE 4. Conditions to Obligations of the Company. The obligations of the Company to pay to the Contractor the amount required to be paid pursuant to the second paragraph of Article 3 hereof with respect to the Group of Equipment for which settlement is then being made is subject to the satisfaction of the conditions set forth in Paragraph 4 of

the Participation Agreement.

ARTICLE 5. Contractor's Warranty of Materials and Workmanship. The Contractor warrants that the Units of the Equipment will be built in accordance with the Specifications and with the other requirements, specifications and standards set forth or referred to in Article 1 above and warrants that the Equipment will be free from defects in material and workmanship or design under normal use and service.

The Contractor further agrees that neither the inspection as provided in Article 2 of this Agreement, nor any examination or acceptance of any Units of the Equipment as provided in said Article 2, shall be deemed a waiver or modification by the Company of any of its rights under this Article.

ARTICLE 6. Notice. Any notice hereunder to the party designated below shall be deemed to be properly served if delivered or mailed to it at the following specified addresses:

(a) to the Company, at 111 West Monroe Street, Chicago, Illinois 60690, attention of Corporate Trust Division, and

(b) to the Contractor, at 233 North Michigan Avenue, Chicago, Illinois 60601, attention of the Treasurer,

or such other addresses as may have been furnished in writing by such party to the other party to this Agreement.

ARTICLE 7. Assignments by the Contractor. All or any of the rights, benefits or advantages of the Contractor under this Agreement, including the right to receive the Cost of Construction of all Units of the Equipment, may be assigned by the Contractor 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, or relieve the Contractor from, any of the Contractor's warranties, indemnities or other obligations contained in this Agreement or relieve the Contractor or a successor or successors to its manufacturing property and business from any of its obligations to construct and deliver the Equipment in accordance with the Specifications or to respond to its warranties, indemnities or other obligations whether contained herein or created by law, or relieve the Company of its obligations

to the Contractor under this Agreement, which, according to their terms and context, are intended to survive an assignment.

Upon any such assignment, either the assignor or the assignee shall give written notice to the Company, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee (if not otherwise stated in the assignment), and such assignee shall by virtue of such assignment acquire all the Contractor's right, title and interest in and to the rights, benefits and advantages of the Contractor thereby assigned subject only to such reservation as may be contained in such assignment. From and after the receipt by the Company of the notification of any such assignment, all payments thereafter to be made by the Company hereunder shall, to the extent so assigned, be made to the assignee in such manner as it may direct.

ARTICLE 8. Assignment by the Company. All or any portion of the rights, benefits or advantages of the Company under this Agreement, including, without limitation, (a) title to the materials utilized in the construction of the Equipment, (b) the right to accept delivery of the Equipment and to be named in the instrument of conveyance therefor to be delivered by the Contractor, (c) the right to receive any and all monies due or to become due to the Company in respect of the Equipment and for all claims for damages in respect of such Equipment arising as a result of any default by the Contractor, and (d) all rights of the Company to perform under this Agreement and compel performance of the terms hereof, may be assigned by the Company and reassigned by any assignee at any time or from time to time. Upon any such assignment, either the assignor or the assignee shall give written notice to the Contractor, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee (if not otherwise stated in the assignment), and such assignee shall by virtue of such assignment acquire all the Company's right, title and interest in and to the rights, benefits and advantages of the Company thereby assigned subject only to such reservation as may be contained in such assignment. The Contractor recognizes that the Company has agreed in the Trust Indenture, among other things, to assign to the Indenture Trustee this Agreement and the rights, benefits and advantages of the Company hereunder including the warranty set forth in Article 5 hereof, and to mortgage in favor of the Indenture Trustee

the Equipment, subject to the reservations and conditions therein set forth.

ARTICLE 9. Article Headings. All article headings are inserted for convenience only and shall not affect the construction or interpretation of this Agreement.

ARTICLE 10. Effect and Modification of Agreement. This Agreement, and the Annexes attached hereto, exclusively and completely state the rights and agreements of the Contractor and the Company with respect to the construction of the Equipment and supersede all purchase agreements, purchase orders and other agreements, oral or written, with respect to the construction of the Equipment. This Agreement amends, restates and supersedes in its entirety the previous manufacturing agreement dated as of August 1, 1975, between the parties hereto. No variation of this Agreement and no waiver of any of its provisions or conditions shall be valid unless in writing and duly executed on behalf of the Company and the Contractor.

ARTICLE 11. Law Governing. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the State of Illinois; provided, however, that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

ARTICLE 12. Successors and Assigns. As used herein the terms Contractor, Company, CMRLC, Indenture Trustee and Lenders shall be deemed to include the successors and assigns of the Contractor, the Company, CMRLC, the Indenture Trustee and the Lenders, as the case may be.

ARTICLE 13. Recording. Upon the execution and delivery of this Agreement, the Contractor will, at its expense, cause this Agreement to be duly filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act.

ARTICLE 14. Execution. This Agreement may be simultaneously executed in any number of counterparts, each of which when so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart. Although this Agreement is dated for convenience as of the date specified in the

introductory paragraph of this Agreement, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

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

ILLINOIS CENTRAL GULF RAILROAD COMPANY,

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

HARRIS TRUST AND SAVINGS BANK, as Owner Trustee,

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of 1975, before me personally appeared , 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.

Notary Public

[NOTARIAL SEAL]
My Commission expires:

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of 1975, before me personally appeared , to me personally known, who being by me duly sworn, says that he is a Vice President of HARRIS TRUST AND SAVINGS BANK, 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.

Notary Public

[NOTARIAL SEAL]
My Commission expires:

ANNEX A

ITEM 1:

Type	Quantity	Illinois Central Gulf Railroad Company Car Numbers (Inclusive)	Unit Cost of Construction	Total Cost of Construction	Months of Delivery	Specifications (Contract Number)
50-ton, 54' 4" boxcars	588	ICG 526000-526224 ICG 526500-526595 ICG 527000-527049 ICG 527200-527362 ICG 576225-576274 ICG 576596-576599	$26,500	$15,582,000	September-December, 1975	0-319-A, 0-314-A, O-317A, O-325A, 0-405A, 0-333A, 0-406A and 0-326-A
70-ton, 54' 4-1/2" to 57' 11-1/2" boxcars	212	ICG 152000-152006 ICG 152100-152116 ICG 152200-152212 ICG 527050-527128 ICG 527700-527719 ICG 545800-545825 ICG 595826-595874 ICG 577129	$28,500	$ 6,042,000	September-December, 1975	0-319-A, 0-314-A, O-317A, O-325A, 0-405A, 0-333A, 0-406A and 0-326-A

ITEM 2: The Maximum Cost of Construction referred to in Article 3 is $21,624,000.00.

EXHIBIT B TO
PARTICIPATION AGREEMENT

LEASE OF RAILROAD EQUIPMENT

dated as of August 1, 1975

between

ILLINOIS CENTRAL GULF RAILROAD COMPANY

and

HARRIS TRUST AND SAVINGS BANK,
as Owner Trustee under a Trust Agreement
dated as of August 1, 1975, with
Chase Manhattan Realty Leasing Corporation

LEASE OF RAILROAD EQUIPMENT dated as of August 1, 1975, between ILLINOIS CENTRAL GULF RAILROAD COMPANY (hereinafter called the Lessee), and HARRIS TRUST AND SAVINGS BANK, as owner trustee under a restated Trust Agreement dated as of the date hereof (hereinafter called the Trust Agreement) with CHASE MANHATTAN REALTY LEASING CORPORATION (said bank, so acting, being hereinafter called the Lessor, and said corporation being hereinafter called the Owner).

WHEREAS the Lessor and the Lessee are entering into a restated manufacturing agreement dated as of the date hereof (hereinafter called the Manufacturing Agreement), wherein the Lessee has agreed to act as an independent contractor on behalf of Lessor in the construction of the units of new, standard-gauge railroad equipment described in Schedule A hereto (hereinafter called the Equipment);

WHEREAS the Lessee desires to lease such number of units of the Equipment as are delivered and accepted and settled for under the Manufacturing Agreement (hereinafter called the Units) at the rentals and for the term and upon the conditions hereinafter provided; and

WHEREAS the Lessor and Continental Illinois National Bank and Trust Company of Chicago, as indenture trustee (hereinafter called the Indenture Trustee), are entering into the Trust Indenture and Mortgage dated as of the date hereof (hereinafter called the Security Documentation) wherein the Lessor will convey and set over its interest in the Manufacturing Agreement, this Lease and the Equipment and all amounts of rent, insurance proceeds and requisition, indemnity or other payments payable to the Lessor as security for the benefit of the lenders (hereinafter called the Lenders) listed in Schedule A to the restated Participation Agreement dated as of the date hereof (hereinafter called the Participation Agreement) among the Lessee, the Lessor, the Indenture Trustee, the Owner and the Lenders (the Owner and the Lenders being hereinafter sometimes collectively called the Investors);

NOW, THEREFORE, in consideration of the premises and of the rentals to be paid and the covenants hereinafter

mentioned to be kept and performed by the Lessee, the Lessor hereby leases the Units to the Lessee upon the following terms and conditions:

§ 1. Net Lease. This Lease is a net lease and the Lessee shall not be entitled to any abatement of rent, reduction thereof or setoff against rent, including, but not limited to, abatements, reductions or setoffs due or alleged to be due by reason of any past, present or future claims of the Lessee against the Lessor, the Indenture Trustee, the Owner or the Lenders or otherwise; nor, except as otherwise expressly provided herein, shall this Lease terminate, or the respective obligations of the Lessor or the Lessee be otherwise affected, by reason of any defect in or damage to or loss of possession or loss of use or destruction of all or any of the Units from whatsoever cause, any liens, encumbrances or rights of others with respect to any of the Units, the prohibition of or other restriction against the Lessee's use of all or any of the Units, the interference with such use by any person or entity, the invalidity or unenforceability or lack of due authorization of this Lease, any insolvency of or any bankruptcy, reorganization or similar proceeding against the Lessee, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the rents and other amounts payable by the Lessee hereunder shall continue to be payable in all events in the manner and at the times herein provided unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease. To the extent permitted by applicable law, the Lessee hereby waives 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 the lease of any of the Units except in accordance with the express terms hereof. Each rental or other payment made by the Lessee hereunder shall be final and the Lessee shall not seek to recover all or any part of such payment from the Lessor for any reason whatsoever.

§ 2. Delivery and Acceptance of Units. The Lessor hereby appoints the Lessee its agent for inspection and acceptance of the Units pursuant to the Manufacturing Agreement. The Lessor will cause each Unit to be delivered to the Lessee at the point or points within the United States of America at which such Unit is delivered to the Lessor under the Manufacturing Agreement. Upon such delivery, the Lessee will cause an employee of the Lessee to inspect the same, and

if such Unit is found to be acceptable, to accept delivery of such Unit and execute and deliver to the Lessor a certificate of acceptance (hereinafter called the Certificate of Acceptance) in accordance with the provisions of Article 2 of the Manufacturing Agreement, stating that such Unit has been inspected and accepted on behalf of the Lessee and the Lessor on the date of such Certificate of Acceptance and is marked in accordance with § 5 hereof, whereupon such Unit shall be deemed to have been delivered to and accepted by the Lessee and shall be subject thereafter to all the terms and conditions of this Lease.

§ 3. Rentals. The Lessee agrees to pay to the Lessor, as rental for each Unit subject to this Lease, 60 consecutive quarterly payments payable in arrears on each of the quarterly anniversaries in each year of the final Lenders' Closing Date (as defined in the Participation Agreement) under the Participation Agreement, commencing the first such quarterly anniversary. The first 20 rental payments shall each be in an amount equal to 2.64517% of the Cost of Construction (as defined in the Manufacturing Agreement) of each Unit subject to this Lease with respect to Units becoming subject to this Lease on or prior to December 31, 1975, and 3.08621% of the Cost of Construction with respect to Units becoming subject to this Lease on or after January 1, 1976. The remaining 40 rental payments shall each be in an amount equal to 3.23299% of the Cost of Construction of each Unit subject to this Lease. The Lessee further agrees to pay to the Lessor, as rental for each Unit subject to this Lease, on January 30, 1976, and on the final Lender's Closing Date an amount equal to .03375% of the Cost of Construction of each Unit subject to this Lease for each day elapsed from the Closing Date (as defined in the Manufacturing Agreement) for such Unit to and including the date of such payment (less any amounts previously paid with respect to such Unit pursuant to this sentence). Notwithstanding the foregoing, in the event that, for any reason whatsoever, the Lenders fail to make available with respect to any Unit the funds to be made available by them under Paragraph 1 of the Participation Agreement, each of the 60 consecutive quarterly rental payments for such Unit shall be increased to 3.64864% of the Cost of Construction of such Unit. The Lessee further agrees that each rental payment pursuant to this § 3 shall be accompanied by a certificate of the Lessee signed by a financial officer of the Lessee to the effect that the signer does not have knowledge of the existence as at such date of any condition or

event which constitutes an Event of Default or which, after notice or lapse of time or both, would constitute an Event of Default.

The Lessee agrees that it will not take any action or omit to take any action which would result in a delay or hindrance in or prohibition of the orderly flow of rental payments as contemplated by this § 3 and the Consent of the Lessee annexed hereto, and further agrees that if, for any reason whatsoever, such a delay, hindrance or prohibition should occur or be threatened, the Lessee will promptly use its best efforts to eliminate such delay, hindrance or prohibition.

If any of the rental payment dates referred to above is not a business day, the rental payment otherwise payable on such date shall be payable on the next succeeding business day. The term "business day" as used herein means a calendar day, excluding Saturdays, Sundays and any other day on which banking institutions in New York, New York, or Chicago, Illinois, are authorized or obligated to remain closed.

The Lessee agrees to make all the payments provided for in this Lease for the account of the Lessor at its address set forth in § 18 hereof, on or before 11:00 a.m., Chicago time, on the date upon which such payments are due and payable. The Lessee agrees to make each such payment provided for herein as contemplated by this paragraph in immediately available funds in the city where such payment is to be made.

§ 4. Term of Lease. The term of this Lease as to each Unit shall begin on the date of delivery and acceptance of such Unit hereunder and, subject to the provisions of §§ 7, 10 and 13 hereof, shall terminate on the date on which the final payment of rent in respect thereof is due pursuant to § 3 hereof. The obligations of the Lessee hereunder (including, but not limited to, the obligations under §§ 6, 7, 9, 11 and 14 hereof) shall survive the expiration of the term of this Lease.

Notwithstanding anything to the contrary contained herein, all rights and obligations of the Lessee under this Lease and in and to the Units are subject to the rights of the Lessor, the Indenture Trustee and the Investors under the Trust Agreement and the Security Documentation.

§ 5. Identification Marks. The Lessee will cause each Unit to be kept numbered with the road number set forth in Schedule A hereto, or in the case of any Unit not there listed such road number as shall be set forth in any amendment or supplement hereto extending this Lease to cover such Unit, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each Unit, in letters not less than one inch in height, the words "Owned by a Bank or Trust Company under a Security Agreement Filed under the Interstate Commerce Act, Section 20c", or other appropriate words designated by the Lessor, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Lessor's title to and property in such Unit, the rights of the Lessor under this Lease, the rights of the Owner under the Trust Agreement and the rights of the Lenders under the Security Documentation. The Lessee will not place any such Unit in operation or exercise any control or dominion over the same until such words shall have been so marked on both sides thereof and will replace promptly any such words which may be removed, defaced or destroyed. The Lessee will not change the road number of any Unit unless and until (i) a statement of new number or numbers to be substituted therefor shall have been filed with the Lessor and the Indenture Trustee and filed, recorded and deposited by the Lessee in all public offices where this Lease, the Trust Agreement and the Security Documentation shall have been filed, recorded and deposited and (ii) the Lessee shall have furnished the Lessor and the Indenture Trustee an opinion of counsel to that effect and to the further effect that no further filing, recording or deposit (or giving of notice) with any other Federal, state or local government or agency thereof is necessary in order to protect the interests of the Lessor, the Indenture Trustee or the Investors in and to the Units in the United States of America. The Units may be lettered with the names or initials or other insignia customarily used by the Lessee or its affiliates.

Except as provided in the immediately preceding paragraph, the Lessee will not allow the name of any person, association or corporation to be placed on any Unit as a designation that might be interpreted as a claim of ownership.

§ 6. Taxes. All payments to be made by the Lessee hereunder will be free of expense to the Lessor, the Indenture Trustee, the Estate (as defined in the Trust Agreement), the Trust Estate (as defined in the Security Documentation) and the Lenders for collection or other charges and will be free of expense to the Lessor, the Indenture Trustee, the Estate, the Trust Estate and the Lenders with respect

to the amount of any local, state, Federal or foreign taxes or certification, registration or license fees, assessments, charges, fines or penalties (all such expenses, taxes, certification, registration and license fees, assessments, charges, fines and penalties being hereinafter called Impositions), hereafter levied or imposed upon or in connection with or measured by this Lease or any sale, rental, use, payment, shipment, delivery or transfer of title under the terms of this Lease or the Manufacturing Agreement all of which Impositions the Lessee assumes and agrees to pay on demand in addition to the payments to be made by it provided for herein, and from and against which the Lessee agrees to indemnify, protect, defend, save and keep harmless the Lessor, the Indenture Trustee, the Estate, the Trust Estate and the Lenders on an after tax basis. The Lessee will also promptly pay, to the extent legally enforceable, all Impositions that may be imposed upon any Unit or for the use or operation thereof or upon the earnings arising therefrom or upon the Lessor by reason of its ownership thereof or upon the Lessor, the Indenture Trustee or the Lenders by reason of the Lenders' security interest therein and any Impositions upon any Unit or any other part of the Trust Estate or on account of the transactions contemplated by the Manufacturing Agreement, the Trust Agreement or the Security Documentation or the instruments or agreements referred to therein or contemplated thereby, and will keep at all times all and every part of the Units and every other part of the Trust Estate free and clear of all Impositions that might in any way affect the title, interest or rights of the Lessor in and to any thereof or result in a lien upon any thereof or affect the security interest of the Lenders therein; provided, however, that the Lessee shall be under no obligation to pay any Impositions of any kind 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 Lessor or the Indenture Trustee, adversely affect the title, interest or rights of the Lessor hereunder or of the Lessor, the Indenture Trustee, the Owner or the Lenders under the Trust Agreement or the Security Documentation. The Lessee agrees to give to the Lessor and the Indenture Trustee notice of any such contest within 30 days after the institution thereof. If any Impositions shall have been charged or levied against the Lessor, the Indenture Trustee, the Estate, the Trust Estate or the Lenders directly and paid by the Lessor, the Indenture Trustee, the Estate, the Trust Estate or the Lenders, the Lessee shall reimburse the Lessor, the Indenture Trustee, the Estate, the Trust Estate or the Lenders, as the case

may be, on presentation of an invoice therefor, except that the Lessee shall not be obligated to reimburse the Lessor for Impositions resulting from claims against the Lessor not related to the ownership or leasing of the Units. Notwithstanding anything contained in this § 6 to the contrary, the Lessee shall not be required to indemnify (i) the Lessor or the Indenture Trustee for any Imposition on or measured by any fees or compensation received by the Lessor or the Indenture Trustee for services rendered in connection with the transactions contemplated hereby or (ii) any Lender for any Impositions on or measured by the net income of such Lender.

In the event any reports with respect to Impositions are required to be made, the Lessee will either make such reports in such manner as to show the interests of the Lessor, the Indenture Trustee, the Owner and the Lenders in such Units or notify the Lessor, the Indenture Trustee, the Owner and the Lenders of such requirement and will make such reports in such manner as shall be satisfactory to the Lessor, the Indenture Trustee, the Owner and the Lenders.

In the event that, during the continuance of this Lease, the Lessee becomes liable for the payment or reimbursement of any Imposition or any interest thereon, pursuant to this § 6, such liability shall continue, notwithstanding the expiration of this Lease, until all such Impositions are paid or reimbursed by the Lessee.

To the extent that the Lessee may be prohibited by law from performing in its own name the duties required by this § 6, the Lessor hereby authorizes the Lessee to act in its own name and on its behalf; provided, however, that the Lessee shall indemnify and shall hold the Lessor harmless from and against any and all claims, costs, expenses, damages, losses and liabilities, incurred in connection therewith as a result of, or incident to, any action or failure to act by the Lessee pursuant to this authorization.

The Lessee shall, whenever requested by the Lessor, the Indenture Trustee or the Owner, submit to the Lessor and the Indenture Trustee copies of the returns, statements, reports, billings and remittances, or furnish other evidence satisfactory to the Lessor, the Indenture Trustee and the Owner, of the Lessee's performance of its duties under this § 6. The Lessee shall also furnish promptly upon request

such data as the Lessor, the Indenture Trustee or the Owner reasonably may require to permit the Lessor's, the Indenture Trustee's and the Owner's compliance with the requirements of taxing jurisdictions.

§ 7. Maintenance; Casualty Occurrences; Insurance. The Lessee agrees that, at its own cost and expense, it will maintain and keep each Unit which is subject to this Lease in good operating order, repair and condition.

In the event that any Unit shall be or become worn out, lost, stolen, destroyed, or, in the reasonable opinion of the Lessee, irreparably damaged, from any cause whatsoever, or taken or requisitioned by condemnation or otherwise (such occurrences being hereinafter called Casualty Occurrences), prior to the return of such Unit in the manner set forth in § 14 hereof, the Lessee shall promptly and fully notify the Lessor and the Indenture Trustee with respect thereto. On the rental payment date next succeeding such notice (not including January 30, 1976, if such date is not the final Lender's Closing Date under the Participation Agreement) the Lessee shall pay to the Lessor an amount equal to the rental payment or payments in respect of such Unit due and payable on such date plus a sum equal to the Casualty Value (as hereinafter defined) of such Unit as of the date of such payment in accordance with Schedule B attached hereto and shall pay to the persons entitled thereto any other amounts then due and payable by Lessee hereunder, under the Manufacturing Agreement or under the Participation Agreement. Upon the making of such payment by the Lessee in respect of any Unit, the rental for such Unit shall cease to accrue, the term of this Lease as to such Unit shall terminate and (except in the case of the loss, theft or complete destruction of such Unit) the Lessor shall be entitled to recover possession of such Unit. The Lessor hereby appoints the Lessee its agent to dispose of any Unit suffering a Casualty Occurrence or any component thereof, at the best price obtainable on an "as is, where is" basis. Provided that the Lessee has previously paid the Casualty Value to the Lessor, and any other amounts then due hereunder, under the Manufacturing Agreement or under the Participation Agreement to the persons entitled thereto, the Lessee shall be entitled to the proceeds of such sale to the extent they do not exceed the Casualty Value of such Unit, and shall pay any excess to the Lessor.

The Casualty Value of each Unit as of the payment date on which payment is to be made as aforesaid shall be

that percentage of the Cost of Construction of such Unit as is set forth in Schedule B hereto.

Whenever any Unit shall suffer a Casualty Occurrence after termination of this Lease and before such Unit shall have been returned in the manner provided in § 14 hereof, the Lessee shall promptly and fully notify the Lessor with respect thereto and pay to the Lessor an amount equal to the Casualty Value of such Unit, which shall be an amount equal to 20% of the Cost of Construction of such Unit. Upon the making of any such payment by the Lessee in respect of any Unit (except in the case of the loss, theft or complete destruction of such Unit), the Lessor shall be entitled to recover possession of such Unit.

Except as hereinabove in this § 7 provided, the Lessee shall not be released from its obligations hereunder in the event of, and shall bear the risk of, any Casualty Occurrence to any Unit from and after delivery and acceptance thereof by the Lessee hereunder.

The Lessee will, at all times prior to the return of the Units to the Lessor, at its own expense, cause to be carried and maintained with insurers of recognized responsibility property insurance in respect of the Units at the time subject hereto, and public liability insurance, in amounts and against risks customarily insured against by the Lessee in respect of similar equipment owned by it and, in any event, in amounts and against such risks as shall be satisfactory to the Owner. Any policies of insurance shall name the Lessor, the Indenture Trustee, the Owner and the Lenders as additional named insureds as their respective interests may appear. If the Lessor shall receive any net insurance proceeds as the result of insurance carried by the Lessee or any condemnation payments in respect of a Unit suffering a Casualty Occurrence, the Lessor shall, subject to the Lessee having made payment of the Casualty Value in respect of such Unit and payment of any other amounts then due hereunder, under the Manufacturing Agreement and under the Participation Agreement, pay such proceeds or condemnation payments to the Lessee, up to an amount equal to the Casualty Value with respect to such Unit paid by the Lessee, and any balance of such proceeds or condemnation payments shall remain the property of the Lessor. All insurance proceeds received by the Lessor in respect of any Unit not suffering a Casualty Occurrence shall be paid to the Lessee upon proof satisfactory to the Lessor that any damage to such Unit in respect of which such proceeds were paid has been fully repaired. The Lessee will advise the Lessor and the Indenture Trustee in writing promptly

of any default in the payment of any premium and of any other act or omission on the part of the Lessee which might invalidate or render unenforceable in whole or in part, any insurance carried or maintained pursuant to this paragraph. The Lessee will also advise the Lessor and the Indenture Trustee in writing at least 10 days prior to the expiration or termination of any such insurance.

§ 8. Reports. On or before March 31 in each year, commencing with the calendar year 1976, the Lessee will furnish to the Lessor and the Indenture Trustee an accurate statement (a) setting forth as at the preceding December 31 the amount, description and numbers of all Units then leased hereunder and covered by the Trust Agreement and the Security Documentation, the amount, description and numbers of all Units that have suffered a Casualty Occurrence during the preceding calendar year or are then undergoing repairs (other than running repairs) or then withdrawn from use pending such repairs (other than running repairs) and such other information regarding the condition and state of repair of the Units as the Lessor may reasonably request and (b) stating that, in the case of all Units repainted or repaired during the period covered by such statement, the numbers and markings required by § 5 hereof and by the Manufacturing Agreement have been preserved or replaced. The Lessor, the Indenture Trustee and the Owner shall have the right, by their agents, to inspect the Units and the Lessee's records with respect thereto at such reasonable times as the Lessor, the Indenture Trustee or the Owner may request during the continuance of this Lease.

§ 9. Disclaimer of Warranties; Compliance with Laws and Rules; Indemnification. THE LESSOR, THE INDENTURE TRUSTEE, THE OWNER AND EACH LENDER MAKE NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE DESIGN OR CONDITION OF, OR AS TO THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE UNITS DELIVERED TO THE LESSEE HEREUNDER, AND THE LESSOR, THE INDENTURE TRUSTEE, THE OWNER AND EACH LENDER MAKE NO WARRANTY OF MERCHANTABILITY OR FITNESS OF THE UNITS FOR ANY PARTICULAR PURPOSE OR AS TO TITLE TO THE UNITS OR ANY COMPONENT THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO ANY UNIT, EITHER UPON DELIVERY THEREOF TO THE LESSEE OR OTHERWISE, it being agreed that all such risks, as between the Lessor, the Indenture Trustee, the Owner, each Lender and the Lessee, are to be borne by the Lessee. Without limiting the generality of the foregoing or anything else contained in this Lease, the Lessor, the Indenture Trustee, the Owner and each Lender shall have no responsibility or liability to

the Lessee or any other person with respect to any of the following: (i) any liability, loss or damage caused or alleged to be caused directly or indirectly by any Units or by any inadequacy thereof or deficiency or defect therein or by any other circumstances in connection therewith; (ii) the use, operation or performance of any Units or any risks relating thereto; (iii) any interruption of service, loss of business or anticipated profits or consequential damages; or (iv) the delivery, operation, servicing, maintenance, repair, improvement or replacement of any Units. The Lessee's delivery of a Certificate of Acceptance shall be conclusive evidence as between the Lessee, the Owner, each Lender, the Indenture Trustee and the Lessor that the Units described therein are in all the foregoing respects satisfactory to the Lessee, and the Lessee will not assert any claim of any nature whatsoever against the Lessor, the Indenture Trustee, the Owner or the Lenders based on any of the foregoing matters.

The Lessee agrees, for the benefit of the Lessor, the Indenture Trustee, the Owner and each Lender, to comply in all respects (including without limitation, with respect to the use, maintenance and operation of each Unit) with all laws of the jurisdictions in which its operations involving the Units may extend, with the interchange rules of the Association of American Railroads and with all lawful rules of the Department of Transportation, the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Units, to the extent that such laws and rules affect the title, operation or use of the Units, and in the event that such laws or rules require any alteration, replacement or addition of or to any part on any Unit, the Lessee will conform therewith at its own expense; provided, however, that the Lessee may at its own expense, 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 Lessor or the Indenture Trustee, adversely affect the property or rights of the Lessor, the Indenture Trustee or the Investors under this Lease, the Trust Agreement or the Security Documentation.

The Lessee agrees forthwith to indemnify, protect, save and hold harmless the Lessor, the Indenture Trustee, the Estate, the Trust Estate and the Lenders from and against all losses, damages, injuries, liabilities, obligations, claims, actions, suits, disbursements and demands whatsoever, regardless of the cause thereof, and costs and expenses in connection therewith, including, but not limited to, counsel fees and expenses, patent liabilities, penalties and interest,

arising out of or as the result of the entering into or the performance of, or the occurrence of a default or an Event of Default under, or the interference with the due payment or provision for payment of any amount payable to any person indemnified hereunder pursuant to any provision of, the Trust Agreement, the Security Documentation, the Manufacturing Agreement, the Participation Agreement or this Lease, the ownership of any Unit, the ordering, manufacture, acquisition, acceptance, possession, use, operation, condition, purchase, delivery, rejection, storage, return or other disposition of any Unit or any material utilized in connection therewith or any accident in connection with the operation, use, condition, possession, storage, return or other disposition of any Unit resulting in damage to property or injury or death to any person, except as otherwise provided in § 14 of this Lease; provided, however, that the foregoing indemnity with respect to any particular indemnitee shall not extend to any loss, damage, injury, liability, obligation, claim, action, suit, disbursement or demand resulting from the wilful misconduct or gross negligence of such indemnitee, the inaccuracy of any representation or warranty made by such indemnitee in connection with the transactions contemplated hereby or the breach of any covenant or agreement by such indemnitee in connection with the transactions contemplated hereby. The indemnities provided for herein in favor of the Lessor shall inure to its benefit as owner trustee under the Trust Agreement and as lessor hereunder. The indemnities arising under this paragraph shall continue in full force and effect notwithstanding the full payment of all obligations under this Lease or the expiration or termination of the term of this Lease.

The Lessee agrees to prepare and deliver to the Lessor within a reasonable time prior to the required date of filing (or, to the extent permissible, file on behalf of the Lessor) any and all reports (other than income tax returns) to be filed by the Lessor with any federal, state or other regulatory authority by reason of the ownership by the Lessor of the Units or the leasing thereof to the Lessee.

§ 10. Default. If, during the continuance of this Lease, one or more of the following events (each such event being herein sometimes called an Event of Default) shall occur:

(A) default shall be made in payment of any amount provided for in §§ 3, 6, 7, 9 or 13 hereof, and such default shall continue for seven days;

(B) the Lessee shall make or permit any unauthorized assignment or transfer of this Lease, or any interest herein, or of the right to possession of the Units, or any thereof;

(C) default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of the Lessee contained herein or in the Manufacturing Agreement or the Participation Agreement, and such default shall continue for 30 days after written notice from the Lessor to the Lessee specifying the default and demanding that the same be remedied;

(D) a petition for reorganization under Section 77 of the Bankruptcy Act, as now constituted or as said Section 77 may hereafter be amended, shall be filed by or against the Lessee and, unless such petition 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 Lessee under this Lease, the Manufacturing Agreement and the Participation Agreement shall not have been and shall not continue to have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed (whether or not subject to ratification) in such proceedings in such manner that such obligations shall have the same status as obligations incurred by such trustee or trustees, within 30 days after such appointment, if any, or 60 days after such petition shall have been filed, whichever shall be earlier; or

(E) any other proceedings shall be commenced by or against the Lessee for any relief which includes, or might result in, any modification of the obligations of the Lessee under this Lease, the Manufacturing Agreement or the Participation Agreement under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustments of the obligations of the Lessee under this Lease, the Manufacturing Agreement or the Participation Agreement), 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 Lessee under this Lease, the Manufactur-

ing Agreement and the Participation Agreement shall not have been and shall not continue to have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed (whether or not subject to ratification) for the Lessee or for the property of the Lessee in connection with any such proceedings in such manner that such obligations shall have the same status as obligations incurred by such a trustee or trustees or receiver or receivers, within 30 days after such appointment, if any, or 60 days after such proceedings shall have been commenced, whichever shall be earlier;

then, in any such case, the Lessor, at its option, may declare this Lease to be in default by notice in writing to the Lessee and may:

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

(b) by notice in writing to the Lessee terminate this Lease, whereupon all rights of the Lessee to the use of the Units shall absolutely cease and terminate as though this Lease had never been made, but the Lessee shall remain liable as herein provided; and thereupon the Lessor, subject to the applicable provisions of law, may by its agents enter upon the premises of the Lessee or other premises where any of the Units may be and take possession of all or any of such Units and thenceforth hold, possess, sell, operate, lease to others and enjoy the same free from any right of the Lessee, or its successors or assigns, to use the Units for any purposes whatever and without any duty to account to the Lessee with respect to such action or inaction or for any proceeds arising therefrom; but the Lessor shall, nevertheless, have a right to recover from the Lessee any and all amounts which under the terms of this Lease may be then due or which may have accrued to the date of such termination (computing the rental for any number of days less than a full rental period by multiplying the rental for such full rental period by a fraction of which the numerator is such number of days and the denominator is the total number of days in such full rental period) and also to recover forthwith from the Lessee as damages for loss of the bargain and not as a penalty, whichever of the following amounts the Lessor, in its sole discretion, shall specify in such notice of termination: (x) an amount equal to the excess, if any, of the present value,

at the time of such termination, of the entire unpaid balance of all rental for such Units which would otherwise have accrued hereunder from the date of such termination to the end of the term of this Lease as to such Units over the then present value of the rental which the Lessor reasonably estimates to be obtainable for such Units during such period, such present value to be computed in each case on the basis of an 8-1/2% per annum discount, compounded quarterly, from the respective dates upon which rentals would have been payable hereunder had this Lease not been terminated, or (y) an amount equal to the excess, if any, of the Casualty Value as of the rental payment date on or next preceding the date of termination over the amount the Lessor reasonably estimates to be the sales value of such Unit at such time; provided, however, that in the event the Lessor shall sell any Unit, the Lessor, in lieu of collecting any amounts payable to the Lessor by the Lessee pursuant to the preceding clauses (x) and (y) of this subparagraph (ii) with respect to such Unit, may, if it shall so elect, demand that the Lessee pay the Lessor and the Lessee shall pay the Lessor on the date of such sale, as liquidated damages for loss of a bargain and not as a penalty, an amount equal to the excess, if any, of the Casualty Value for such Unit, as of the rental payment date on or next preceding the date of termination, over the net proceeds of such sale.

In addition, the Lessee shall be liable, except as otherwise provided above, for any and all unpaid amounts due hereunder before, during or after the exercise of any of the foregoing remedies and for all reasonable attorneys' fees and other costs and expenses incurred by reason of the occurrence of any Event of Default or the exercise of the Lessor's remedies with respect thereto, including all costs and expenses incurred in connection with the return of any Unit.

The remedies in this Lease provided in favor of the Lessor shall not be deemed exclusive, but shall be cumulative and may be exercised concurrently or consecutively, and shall be in addition to all other remedies in its favor existing at law or in equity. The Lessee hereby waives any mandatory requirements of law, now or hereafter in effect, which might limit or modify the remedies herein provided, to the extent that such waiver is not, at the time in question, prohibited by law. The Lessee hereby waives any and all existing or future claims to any offset against the rental payments due hereunder, and agrees to make such payments regardless of any offset or claim which may be asserted by the Lessee or on its behalf.

The failure of the Lessor to exercise the rights granted it hereunder upon the occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies.

Notwithstanding the foregoing, if the Lessee defaults in the payment of any amount required to be paid hereunder, the Owner may itself make such payment and the amount of such payment and the reasonable costs and expenses of the Owner incurred in connection with such payment shall be payable by the Lessee to the Owner upon demand; provided, however, that the Owner shall not be entitled to make such payment with respect to rental provided in § 3 hereunder with respect to more than three defaults in the payment of such rental by the Lessee or on more than one occasion during any four consecutive quarterly rental periods.

§ 11. Return of Units Upon Default. If this Lease shall terminate pursuant to § 10 hereof, the Lessee shall forthwith deliver possession of the Units to the Lessor. Each Unit so delivered shall be in the same operating order, repair and condition as when originally delivered to the Lessee, reasonable wear and tear excepted. For the purpose of delivering possession of any Unit or Units to the Lessor as above required, the Lessee shall at its own cost, expense and risk:

(a) forthwith and in the usual manner (including, but not by way of limitation, giving prompt telegraphic and written notice to the Association of American Railroads and all railroads to which any Unit or Units have been interchanged to return the Unit or Units so interchanged) and at the usual speed place such Units upon such storage tracks of the Lessee or any of its affiliates as the Lessor reasonably may designate;

(b) permit the Lessor to store such Units on such tracks at the risk of the Lessee without charge for insurance, rent or storage until such Units have been sold, leased or otherwise disposed of by the Lessor; and

(c) transport the same to any place on the lines of railroad operated by the Lessee or any of its affiliates or to any connecting carrier for shipment, all as directed by the Lessor.

The assembling, delivery, storage, insurance and transporting of the Units as hereinbefore provided shall be at the expense and risk of the Lessee and are of the essence

of this Lease, and upon application to any court of equity having jurisdiction in the premises the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver, store and transport the Units. During any storage period, the Lessee will, at its own cost and expense, maintain and keep the Equipment in good order and repair and will permit the Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser of any such Unit, to inspect the same.

All amounts earned in respect of the Units after the date of termination of this Lease shall belong to the Lessor and, if received by the Lessee, shall be promptly turned over to the Lessor. In the event any Unit is not assembled, delivered and stored, as hereinabove provided, within 60 days after such termination, the Lessee shall, in addition, pay to the Lessor for each day thereafter an amount equal to the amount, if any, by which .04054% of the Cost of Construction of such Unit for each such day exceeds the actual earnings received by the Lessor on such Unit for each such day.

Without in any way limiting the obligation of the Lessee under the foregoing provisions of this § 11, the Lessee hereby irrevocably appoints the Lessor as the agent and attorney of the Lessee, with full power and authority, at any time while the Lessee is obligated to deliver possession of any Unit to the Lessor, to demand and take possession of such Unit in the name and on behalf of the Lessee from whomsoever shall be in possession of such Unit at the time.

§ 12. Assignment; Possession and Use. This Lease shall be assignable in whole or in part by the Lessor without the consent of the Lessee, but the Lessee shall be under no obligation to any assignee of the Lessor except upon written notice of such assignment from the Lessor. All the rights of the Lessor hereunder shall inure to the benefit of the Lessor's assigns. The Lessee recognizes that the Lessor has agreed in the Security Documentation, among other things, to assign to the Indenture Trustee this Lease and the rights, benefits and advantages of the Lessor hereunder, and to mortgage in favor of the Indenture Trustee the Units, subject to the reservations and conditions therein set forth.

So long as the Lessee shall not be in default under this Lease and subject to the security interest of the Lend-

ers under the Security Documentation, the Lessee shall be entitled to the uninterrupted and undisturbed possession and full use of the Units in accordance with the terms of this Lease and the Security Documentation, but, without the prior written consent of the Lessor, the Lessee shall not assign or transfer its leasehold interest under this Lease in the Units or any of them. The Lessee, at its own expense, will promptly pay or discharge, to the extent legally enforceable, any and all sums claimed by, or liabilities in favor of, any party which, if unpaid, might diminish the amount of rent due and payable under § 3 hereof or might become a lien, charge, security interest or other encumbrance (including an encumbrance created by the Lessor or an encumbrance resulting from claims against the Lessor not related to the ownership or leasing of the Units which the Lessor shall have failed to satisfy promptly) upon or with respect to any Unit or any other part of the Trust Estate, or the interest of the Lessor, the Indenture Trustee, the Investors or the Lessee therein, and will promptly (and in any event within 10 days after notice) discharge any such lien, charge, security interest or other encumbrance which arises or nullify its effect; provided, however, that the Lessee shall not be required to discharge any such existing lien, charge, security interest or other encumbrance which attaches solely to the leasehold interest of the Lessee under this Lease in and to the Equipment. The Lessee shall not, without the prior written consent of the Lessor, part with the possession or control of, or suffer or allow to pass out of its possession or control, any of the Units, except to the extent permitted by the provisions of the immediately succeeding paragraph.

So long as the Lessee shall not be in default under this Lease and subject to the security interest of the Lenders under the Security Documentation, the Lessee shall be entitled to the possession of the Units and to the use of the Units by it or any affiliate upon lines of railroad owned or operated by it or any such affiliate or upon lines of railroad over which the Lessee or any such affiliate has trackage or other operating rights or over which railroad equipment of the Lessee or any such affiliate is regularly operated pursuant to contract, and also to permit the use of the Units upon connecting and other carriers in the usual interchange of traffic or pursuant to run-through agreements, but only upon and subject to all the terms and conditions of this Lease, and to all rights of the Lessor, the Indenture Trustee and the Investors under the Trust Agreement and the Security Documentation. The Lessee may receive and retain compensation for such use from other railroads so using any of the

Units. The Lessee represents and warrants to the Lessor, the Indenture Trustee and the Investors that the Units will be used, and are intended for use, in connection with interstate commerce.

Nothing in this § 12 shall be deemed to restrict the right of the Lessee to assign or transfer its leasehold interest under this Lease in the Units or possession of the Units to any railroad corporation incorporated under the laws of any state of the United States of America or the District of Columbia (which shall have duly assumed the obligations of the Lessee hereunder) into or with which the Lessee shall have become merged or consolidated or which shall have acquired the property of the Lessee as an entirety or substantially as an entirety, provided that such assignee or transferee will not, upon the effectiveness of such merger, consolidation or acquisition, be in default under any provision of this Lease.

§ 13. Renewal Option; Provided that this Lease has not been earlier terminated and the Lessee is not in default hereunder, the Lessee may by written notice delivered to the Lessor not less than 120 days prior to the end of the original term or any extended term of this Lease, as the case may be, elect to extend the term of this Lease in respect of all but not fewer than all of the Units then covered by this Lease, for an additional two-year period commencing on the scheduled expiration of the original term or any extended term of this Lease, as the case may be, provided that no such extended term shall extend beyond four years from the date of expiration of the original term of this Lease. Rentals during any renewal term shall be at an amount equal to "Fair Market Rental" of the Units then covered by this Lease, payable in arrears in four quarterly payments for each one-year period, such payments to be made on the quarterly anniversary of the termination of the original term of this Lease.

Fair Market Rental during each extended term of this Lease shall be determined on the basis of, and shall be equal in amount to, the rental which would obtain in an arm's-length transaction between an informed and willing lessee (other than a lessee currently in possession) and an informed and willing lessor under no compulsion to lease and, in such determination, costs of removal from the location of current use shall not be a deduction from such rental. If, after 30 days from the giving of notice by the Lessee of the Lessee's election to extend the term of this Lease, the Owner and the Lessee are unable to agree upon a determination of

the Fair Market Rental of the Units, such rental shall be determined in accordance with the foregoing definition by the following procedure: If either party to such determination shall have given written notice to the other requesting determination of such value by this appraisal procedure, the parties shall consult for the purpose of appointing a qualified independent appraiser by mutual agreement. If no such appraiser is so appointed within 10 business days after such notice is given, each party shall appoint an independent appraiser within 15 business days after such notice is given, and the two appraisers so appointed shall within 25 business days after such notice is given appoint a third independent appraiser. If no such third appraiser is appointed within 25 business days after such notice is given, either party may apply, to make such appointment, to the American Arbitration Association, and both parties shall be bound by any appointment so made. Any appraiser or appraisers appointed pursuant to the foregoing procedure shall be instructed to determine the Fair Market Rental of the Units subject to the proposed extended term within 60 days after his or their appointment. If the parties shall have appointed a single appraiser or if either party shall have failed to appoint an appraiser, the determination of Fair Market Rental of the single appraiser appointed shall be final. If three appraisers shall be appointed, the determination of the appraiser which differs most from the other two appraisers shall be excluded, the remaining two determinations shall be averaged and such latter average shall be final and binding upon the parties hereto as the Fair Market Rental. The appraisal proceedings shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association as in effect on the date hereof, except as modified hereby. The provision for this appraisal procedure shall be the exclusive means of determining Fair Market Rental and shall be in lieu of any judicial or other procedure for the determination thereof, and each party hereto hereby consents and agrees not to assert any judicial or other procedures. The expenses of the appraisal procedure shall be borne equally by the Lessee and the Owner in the event the Lease is renewed pursuant to this § 13. Otherwise such expense shall be paid entirely by the Lessee.

Notwithstanding the foregoing, the Casualty Value of each Unit as of any rental payment date during any extended term provided for in this § 13 shall mean a sum equal to (1) the "Fair Market Value" of such Unit as of the last day of such extended term (determined as of the first

day of such extended term as provided in this § 13) plus (2) an amount determined by multiplying (x) an amount equal to the excess of the Fair Market Value of such Unit as of the first day of such extended term (determined as of such first day as provided in this § 13) over such Fair Market Value as of the last day of such extended term by (y) a fraction of which the numerator shall be the number of days in such extended term following such date and of which the denominator shall be the total number of days in such extended term (it being understood that such Fair Market Value shall be determined as provided in this § 13 concurrently with the determination of Fair Market Rental hereunder, provided, that for such purpose, "value" and "Value" shall be substituted for, respectively, "rental" and "Rental"; "buyer" shall be substituted for "lessee"; "seller shall be substituted for "lessor"; and "sell" shall be substituted for "lease", in each case in which each such substituted term appears in the second paragraph of this § 13).

§ 14. Return of Units upon Expiration of Term. As soon as practicable on or after the expiration of the original or extended term of this Lease with respect to any Unit, the Lessee will, at its own cost and expense, at the request of the Lessor, deliver possession of such Unit to the Lessor upon such storage tracks of the Lessee or any of its affiliates as the Lessor may designate, or, in the absence of such designation, as the Lessee may select, and permit the Lessor to store such Unit on such tracks for a period not exceeding 90 days and transport the same, at any time within such 90-day period, to any reasonable place on the lines of railroad operated by the Lessee or any of its affiliates, or to any connecting carrier for shipment, all as directed by the Lessor, the movement and storage of such Units to be at the expense and risk of the Lessee. During any such storage period the Lessee will permit the Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser of such Unit, to inspect the same; provided, however, that the Lessee shall not be liable, except in the case of negligence of the Lessee or of its employees or agents, for any injury to, or the death of, any person exercising, either on behalf of the Lessor or any prospective purchaser, the rights of inspection granted under this sentence. Each Unit returned to the Lessor pursuant to this § 14 shall (i) be in the same operating order, repair and condition as when originally delivered to the Lessee, reasonable wear and tear excepted, and (ii) meet the standards then in effect under the Interchange Rules of

the Association of American Railroads and/or the applicable rules of any governmental agency or other organization with jurisdiction. The assembling, delivery, storage and transporting of the Units as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises, the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver, store and transport the Units. All amounts earned in respect of the Units after the date of termination of this Lease shall belong to the Lessor and, if received by the Lessee, shall be promptly turned over to the Lessor. In the event any Unit is not assembled, delivered and stored, as hereinabove provided, within 60 days after such termination, the Lessee shall, in addition, pay to the Lessor for each day thereafter an amount equal to the amount, if any, by which .04054% of the Cost of Construction of such Unit for each such day exceeds the actual earnings received by the Lessor on such Unit for each such day.

§ 15. Recording. The Lessee, at its own expense, will cause this Lease, the Manufacturing Agreement, the Trust Agreement, the Security Documentation and any assignment hereof or thereof to be filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act. The Lessee will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, record (and will refile, reregister, deposit and redeposit or rerecord whenever required) any and all further instruments required by law or reasonably requested by the Lessor, the Indenture Trustee, the Lenders or the Owner for the purpose of proper protection, to their satisfaction, of the Lessor's, the Indenture Trustee's, the Lenders' and the Owner's respective interests in the Units, or for the purpose of carrying out the intention of this Lease, the Trust Agreement and the Security Documentation; and the Lessee will promptly furnish to the Lessor and the Indenture Trustee evidence of all such filing, registering, depositing or recording, and an opinion or opinions of counsel for the Lessee with respect thereto satisfactory to the Lessor and the Indenture Trustee. This Lease, the Manufacturing Agreement, the Trust Agreement and the Security Documentation shall be filed and recorded with the Interstate Commerce Commission prior to the delivery and acceptance hereunder of any Unit.

§ 16. Interest on Overdue Rentals. Anything to the

contrary herein contained notwithstanding, any nonpayment of rentals and other obligations due hereunder shall result in the obligation on the part of the Lessee promptly to pay, to the extent legally enforceable, an amount equal to 11-1/2% per annum on the overdue rentals and other obligations for the period of time during which they are overdue or such lesser amount as may be legally enforceable.

§ 17. Investment Tax Credit; Indemnity Agreement. (a) The Lessor hereby agrees and covenants that it will, in accordance with Section 48(d) of the Internal Revenue Code of 1954, as amended, and the applicable regulations thereunder, execute without warranty of efficacy an election to treat the Lessee as having acquired the Equipment for purposes of the investment tax credit provided by Section 38 (and related sections) of said Code so that the Lessee may receive the benefit of such credit to the extent available; provided, however, that neither the Lessor nor the Owner shall be in any way responsible for the Lessee's failure to obtain the benefits of such investment tax credit and the Lessee shall be solely responsible for the preparation and filing of all documents necessary to effect such election and shall furnish the Lessor with the appropriate document ready for execution by the Lessor not later than 30 days prior to the date on which the election is required to be made, which date shall be specified by the Lessee in its letter transmitting the election document.

(b) The Lessee hereby agrees and covenants that it will pay directly to the Indenture Trustee at 231 South LaSalle Street, Chicago, Illinois 60693, all amounts required to be paid by it pursuant to the Indemnity Agreements dated as of August 15, 1975, as amended, between the Lessee and the Owner and the Lessee and Chase Manhattan Service Corporation for application as provided in the Security Documentation.

§ 18. Notices. Any notice required or permitted to be given by either party hereto to the other shall be deemed to have been given when mailed, first class, postage prepaid, addressed as follows:

(a) if to the Lessor, at 111 West Monroe Street, Chicago, Illinois 60690, attention of Corporate Trust Division, and

(b) if to the Indenture Trustee, at 231 South LaSalle Street, Chicago, Illinois 60693, attention of Corporate Trust Department; and

(c) if to the Lessee, at 233 North Michigan Avenue, Chicago, Illinois 60601, attention of the Treasurer,

or addressed to either party at such other address as such party shall hereafter furnish to the other party in writing.

§ 19. Severability; Effect and Modification of Lease. Any provision of this Lease which is prohibited or unenforceable in any jurisdiction, shall be, as to such jurisdiction, ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

This Lease exclusively and completely states the rights of the Lessor and the Lessee with respect to the leasing of the Units and supersedes all other agreements, oral or written, with respect thereto. This Lease amends, restates and supersedes in its entirety the previous lease of railroad equipment dated as of August 1, 1975, between the parties hereto. No variation or modification of this Lease and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized signatories for the Lessor and the Lessee and, until such time as the Security Documentation shall have been discharged pursuant to the terms thereof, approved in writing by the Indenture Trustee.

§ 20. Execution. This Lease may be executed in several counterparts, such counterparts together constituting but one and the same instrument, but the counterpart delivered to the Lessor shall be deemed to be the original and all other counterparts shall be deemed duplicates thereof. Although for convenience this Lease is dated as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

§ 21. Law Governing. The terms of this Lease and all rights and obligations hereunder shall be governed by the laws of the State of Illinois; provided, however, that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

§ 22. Immunities; No Recourse. It is expressly understood and agreed by and between the parties hereto, any-

thing herein to the contrary notwithstanding, that each and all of the representations, undertakings and agreements herein made on the part of the Lessor are each and every one of them made and intended not as personal representations, undertakings and agreements by Harris Trust and Savings Bank or for the purpose or with the intention of binding said bank personally, but are made and intended for the purpose of binding only the Trust Estate as such term is used in the Trust Agreement, and this Lease is executed and delivered by said bank solely in the exercise of the powers expressly conferred upon said bank as trustee under the Trust Agreement; and except in the case of negligence or wilful misconduct no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said bank, or on account of any representation, undertaking or agreement of the Lessor, either expressed or implied, all such personal liability, if any, being expressly waived and released by the Lessee and by all persons claiming by, through or under the Lessee.

IN WITNESS WHEREOF, the parties hereto have executed or caused this instrument to be executed as of the date first above written.

HARRIS TRUST AND SAVINGS BANK,
as Owner Trustee,

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

ILLINOIS CENTRAL GULF
RAILROAD COMPANY,

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

STATE OF ILLINOIS ,)
) ss.:
COUNTY OF COOK ,)

On this day of 1975, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of HARRIS TRUST AND SAVINGS BANK, 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.

_____
Notary Public

[Notarial Seal]

My Commission expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK ,)

On this day of 1975, before me personally appeared , 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.

_____
Notary Public

[Notarial Seal]

My Commission expires

SCHEDULE A TO LEASE

Type	Quantity	Lessee's Road Numbers (Both Inclusive)
50-ton, 54' 4" boxcars	588	ICG 526000-526224 ICG 526500-526595 ICG 527000-527049 ICG 527200-527362 ICG 576225-576274 ICG 576596-576599
70-ton, 54' 4-1/2" to 57' 11-1/2" boxcars	212	ICG 152000-152006 ICG 152100-152116 ICG 152200-152212 ICG 527050-527128 ICG 527700-527719 ICG 545800-545825 ICG 595826-595874 ICG 577129

SCHEDULE B

CASUALTY VALUE TABLE

Payment Number	Percentage for Units Delivered on or Prior to December 31, 1975	Percentage for Units Delivered on or After January 1, 1976	Percentage in the Absence of Funding by Lenders
Final Lenders' Closing Date	112.0232%	111.0864%	113.3073%
1	112.8885	111.7531	113.9167
2	113.6291	112.4254	114.4330
3	114.2815	113.9333	114.8603
4	114.3805	114.4911	116.3332
5	114.9028	114.9250	116.5995
6	115.2883	115.2634	116.7914
7	115.5751	115.5699	116.9063
8	115.8493	115.7431	116.9431
9	116.0067	115.7771	116.8997
10	116.0384	115.7032	116.7879
11	115.9766	115.6084	116.6016
12	115.9097	115.3763	116.3375
13	115.7190	115.0176	115.9920
14	115.4143	114.5569	115.5832
15	115.0220	114.0824	115.1019
16	114.6336	113.4620	114.5430
17	114.1145	112.7257	113.9018
18	113.4941	111.8924	113.2024
19	112.7932	111.0537	112.4327
20	112.1071	110.0606	111.5855
21	110.6959	108.8209	110.6556
22	109.2132	107.5091	109.6725
23	107.6816	106.3650	108.6215
24	106.7032	104.9345	107.4935
25	105.0804	103.4410	106.2821
26	103.4124	101.8899	105.0228
27	101.6984	100.4367	103.6981
28	100.0909	98.7838	102.2970
29	98.2832	97.0909	100.8121
30	96.4324	95.3560	99.2848
31	94.5356	93.7461	97.6948
32	92.7616	91.9288	96.0290
33	90.7735	90.0696	94.2792
34	88.7510	88.1588	92.4926
35	86.6871	86.3365	90.6461
36	84.7158	84.3093	88.7247
37	82.5669	82.2504	86.7191

Payment Number	Percentage for Units Delivered on or Prior to December 31, 1975	Percentage for Units Delivered on or After January 1, 1976	Percentage in the Absence of Funding by Lenders
38	80.3870%	80.1427%	84.6827%
39	78.1702	78.1062	82.5893
40	76.0396	75.8752	80.4220
41	73.7411	73.6226	78.1708
42	71.4164	71.3275	75.8946
43	69.0579	69.1064	73.5646
44	66.7791	66.7174	71.1621
45	64.3425	64.3101	68.6759
46	61.8847	61.8632	66.1710
47	59.3964	59.4903	63.6157
48	56.9810	56.9640	60.9893
49	54.4178	54.4170	58.2797
50	51.8359	51.8396	55.5539
51	49.2251	49.3334	52.7783
52	46.6853	46.6791	49.9302
53	43.9991	44.0057	46.9970
54	41.2940	41.3025	44.0447
55	38.5589	38.6732	41.0391
56	35.8984	35.8916	37.9566
57	33.0844	33.0908	34.7843
58	30.2508	30.2591	31.5881
59	27.3857	27.5049	28.3340
60 and thereafter	20.0000	20.0000	20.0000

CONSENT

The undersigned, ILLINOIS CENTRAL GULF RAILROAD COMPANY, a Delaware corporation, the Lessee named in the foregoing Lease, hereby acknowledges receipt of copies of the Trust Agreement and the Security Documentation referred to in said Lease, consents to all the terms and conditions of the Trust Agreement and the Security Documentation and acknowledges that in order to secure its obligations set forth in the Security Documentation to the Lenders, as such term is used in said Lease, HARRIS TRUST AND SAVINGS BANK, as Owner Trustee, has conveyed and set over to CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, as Indenture Trustee, its right, title and interest in the Trust Estate (as defined in said Security Documentation), including this Lease and all rent and other sums payable hereunder.

The Lessee hereby agrees that:

(1) it will pay all rentals, casualty payments, liquidated damages, indemnities and other moneys provided for in the Lease (which moneys are hereinafter called the Payments) due and to become due under the Lease or otherwise in respect of the Units leased thereunder, directly in immediately available funds to the Indenture Trustee at 231 South LaSalle Street, Chicago, Illinois 60693 (or at such other address as may be furnished in writing to the Lessee by the Indenture Trustee);

(2) the Indenture Trustee shall, subject to the provisions of the Security Documentation, be entitled to the benefits of, and to receive and enforce performance of, all the covenants to be performed by the Lessee under the Lease as though the Indenture Trustee were named therein as the Lessor;

(3) the Indenture Trustee shall not, by virtue of the Security Documentation, be or become subject to any liability or obligation under the Lease or otherwise;

(4) the Lease shall not, without the prior written consent of the Indenture Trustee, be terminated or modified, nor shall any action be taken or omitted by the Lessee the taking or omission of which might result in an alternation or impairment of the Lease, the Security Documentation or this consent and agreement or of any of the rights created by any thereof; and

(5) the rentals provided in § 3 of the Lease and the casualty payments provided in § 7 of the Lease have been calculated so as to be sufficient to pay in full, any payments then required to be made to the Lenders on account of principal and interest pursuant to the Security Documentation.

ILLINOIS CENTRAL GULF RAILROAD COMPANY,

by

_____

Vice President

EXHIBIT C TO
PARTICIPATION AGREEMENT

TRUST AGREEMENT

This TRUST AGREEMENT dated as of August 1, 1975, between CHASE MANHATTAN REALTY LEASING CORPORATION, a New York corporation (herein called "CMRLC"), and HARRIS TRUST AND SAVINGS BANK, an Illinois corporation, as owner trustee hereunder (herein called the "Owner Trustee").

W I T N E S S E T H :

ARTICLE I

Definitions

SECTION 1.01. For all purposes of this Trust Agreement the following terms shall have the following meanings (such definitions to be equally applicable to both the singular and plural forms of the terms defined):

"Bills of Sale" shall mean those certain bills of sale between Chase Manhattan Service Corporation, a New York corporation (hereinafter called "CMSC"), and the Contractor and CMRLC and the Contractor, as from time to time supplemented or amended, pursuant to which the Contractor is selling certain parts to be used in the construction of the Equipment.

"Business Day" shall mean a calendar day, excluding Saturday, Sunday and any other day on which banking institutions in New York, New York, or Chicago, Illinois, are authorized to remain closed.

"Equipment" shall mean the units of new, standard gauge railroad equipment described in Annex A attached hereto and, prior to the inclusion thereof in such units of railroad equipment, the parts covered by the Bills of Sale (and the assignments thereof to the Owner Trustee) and the articles, supplies, materials and parts acquired by the Contractor, as independent contractor under the Manufacturing Agreement on behalf of the Owner Trustee.

"Estate" shall mean all estate, right, title and interest of the Owner Trustee in and to the Equipment, the Lease and the Manufacturing Agreement, including,

without limitation, all amounts of rent, insurance proceeds and requisition, indemnity or other payments of any kind payable to the Owner Trustee for or with respect to the Equipment or under any of such documents.

"Indenture Trustee" shall mean Continental Illinois National Bank and Trust Company of Chicago, a national banking association, as indenture trustee under the Trust Indenture.

"Investor" shall mean and include the Owner and each Lender.

"Lease" shall mean that certain restated Lease of Railroad Equipment dated as of the date hereof between the Owner Trustee and the Lessee, substantially in the form annexed to the Participation Agreement as Exhibit B, as from time to time supplemented or amended, or the terms thereof waived or modified, to the extent permitted by, and in accordance with, the terms of this Trust Agreement.

"Lender" shall mean and include each of the institutions listed in Schedule A to the Participation Agreement as a Lender, and their respective successors and assigns.

"Lessee" or "Contractor" shall mean Illinois Central Gulf Railroad Company and its successors and assigns as Lessee under the Lease and as Contractor under the Manufacturing Agreement.

"Manufacturing Agreement" shall mean that certain restated Manufacturing Agreement dated as of the date hereof between the Contractor and the Owner Trustee, substantially in the form annexed to the Participation Agreement as Exhibit A, as from time to time supplemented or amended, or the terms thereof waived or modified, to the extent permitted by, and in accordance with, the terms of this Trust Agreement.

"Owner" shall mean and include CMRLC and any other person to which the Owner transfers its right, title and interest in and to this Trust Agreement, the Estate and the Participation Agreement in accordance with Section 8.01 hereof, and their respective successors and assigns.

"Participation Agreement" shall mean that certain restated Participation Agreement dated as of the date hereof among the Lessee, the Owner Trustee, the Indenture Trustee, CMRLC and the Lenders listed in Schedule A thereto, substantially in the form annexed hereto as Exhibit A, as from time to time supplemented or amended, or the terms thereof waived or modified, to the extent permitted by, and in accordance with, the terms thereof.

"Trust Indenture" shall mean that certain Trust Indenture and Mortgage dated as of the date hereof between the Owner Trustee and the Indenture Trustee, substantially in the form annexed to the Participation Agreement as Exhibit D, as from time to time supplemented or amended, or the terms thereof waived or modified, to the extent permitted by, and in accordance with, the terms thereof.

"Trust Office" shall mean the principal corporate trust office of the Trustee at 111 West Monroe Street, Chicago, Illinois 60690, Attention: Corporate Trust Division, or the principal corporate trust office of any successor Trustee.

SECTION 1.02. For all purposes of this Trust Agreement the following terms shall have the meanings defined in the Lease: "Casualty Occurrence", "Casualty Value" and "Event of Default".

SECTION 1.03. For the purposes of this Trust Agreement the following terms shall have the meanings defined in the Trust Indenture: "Indenture Default", "Lease Default", "Majority in Interest of Investors" and "Trust Estate".

ARTICLE II

Authority To Execute the Participation Agreement, the Trust Indenture, the Manufacturing Agreement and the Lease; Declaration of Trust

SECTION 2.01. The Owner hereby authorizes and directs the Owner Trustee (i) to execute and deliver the Participation Agreement, the Trust Indenture, the Manufacturing Agreement, the Lease and the assignments of the Bills of Sale; (ii) to convey and set over to the Indenture Trustee for the benefit of the Lenders, upon the terms and conditions

set forth in the Trust Indenture, the Owner Trustee's right, title and interest in and to the Estate, except as provided in subparagraph D of the granting clause of the Trust Indenture and subject to the final paragraph of such granting clause; (iii) to authorize a representative or representative of the Owner Trustee (who may be an employee or employees of the Lessee) to accept delivery of each unit of Equipment from time to time delivered to the Owner Trustee under and in accordance with the terms of the Manufacturing Agreement and to accept delivery, through such representative or representatives or directly, of any and all instruments of conveyance and invoices in favor of the Owner Trustee covering units of the Equipment; (iv) to pay to the Contractor the cost of construction of the Equipment from such funds as the Owner may from time to time furnish the Owner Trustee for such purpose; (v) subject to the terms of this Trust Agreement and the Trust Indenture, to exercise its rights and perform its duties under the Participation Agreement and the duties of the party for whom the Equipment is constructed under the Manufacturing Agreement, of the lessor under the Lease, of the assignor to the Indenture Trustee and of the assignee under the assignments of the Bills of Sale; and (vi) subject to the terms of this Trust Agreement and the Trust Indenture, to take such other action in connection with any of the foregoing as the Owner may from time to time direct.

SECTION 2.02. The Owner Trustee hereby declares that it will hold the Estate upon the trusts hereinafter set forth for the use and benefit of the Owner, subject, however, to the provisions of and the lien created by the Trust Indenture.

ARTICLE III

Payments

SECTION 3.01. All payments to be made by the Owner Trustee under this Trust Agreement shall be made only from the income and the proceeds from the Estate and only to the extent that the Owner Trustee shall have sufficient income or proceeds from the Estate to make such payments in accordance with the terms of Article IV hereof. The Owner individually agrees that it will look solely to the income and proceeds from the Estate to the extent available for distribution to it as herein provided and that, except as specifically provided herein, neither the Owner nor the

Owner Trustee is personally liable to any Lender or the Owner for any amounts payable hereunder.

SECTION 3.02. All payments to be made by the Owner Trustee hereunder shall (subject to timely receipt by the Owner Trustee of available funds) be made by check mailed to the Owner or its nominee on the date such payment is due or, upon written request of the Owner, by bank wire to the account of the Owner or its nominee at such banking institution as may be specified to the Owner Trustee in writing.

ARTICLE IV

Receipt, Distribution and Application of Income from the Estate

SECTION 4.01. Until the Trust Indenture shall have been discharged pursuant to Section 9.01 thereof, each payment of rent pursuant to § 3 of the Lease, as well as any payment of interest on overdue instalments of such rent and any insurance proceeds and requisition, indemnity (except for payments received from the Owner pursuant to the Owner's indemnities contained in this Trust Agreement) or other payments of any kind received by the Owner Trustee (other than payments received from the Indenture Trustee), shall immediately upon receipt be paid over to the Indenture Trustee without deduction, set-off or adjustment of any kind for distribution in accordance with the provisions of Article III of the Trust Indenture.

SECTION 4.02. After the Trust Indenture shall have been discharged pursuant to Section 9.01 thereof, any payment of the type referred to in Section 4.01 received by the Owner Trustee, any payments received from the Indenture Trustee other than as specified in Section 4.03 and any other amount received for the application or distribution of which no provision is made herein, shall be distributed forthwith upon receipt by the Owner Trustee in the following order of priority: first, so much of such payment as shall be required to reimburse the Owner Trustee for any expenses not reimbursed by Lessee or the Indenture Trustee as to which the Owner Trustee is entitled to be so reimbursed under Section 7.01 hereof shall be retained by the Owner Trustee; and, second, the balance, if any, of such payment remaining thereafter shall be distributed to the Owner.

SECTION 4.03. All amounts from time to time distributable by the Indenture Trustee to the Owner pursuant to the Trust Indenture shall, if paid by the Indenture Trustee to the Owner Trustee, be distributed by the Owner Trustee to the Owner in accordance with the provisions of Article III of the Trust Indenture.

SECTION 4.04. Except as provided in Section 4.01 hereof, any payments received by the Owner Trustee for which provision as to the application thereof is made in the Lease, the Manufacturing Agreement or the Participation Agreement shall be applied forthwith to the purpose for which such payment was made in accordance with the terms of the Lease, the Manufacturing Agreement or the Participation Agreement, as the case may be.

ARTICLE V

Duties of the Owner Trustee

SECTION 5.01. In the event the Owner Trustee shall have knowledge of an Event of Default, the Owner Trustee shall give prompt telephonic notice (confirmed in writing) of such Event of Default to the Indenture Trustee and each Investor, unless, to the knowledge of the Owner Trustee, such Event of Default shall have been remedied before the giving of such notice. Subject to the terms of Section 5.03 hereof, the Owner Trustee shall take such action (or refrain from taking action), not inconsistent with the provisions of the Trust Indenture, with respect to such Event of Default as the Owner Trustee shall be instructed in writing at any time by the Owner. If the Owner Trustee shall not have received instructions as above provided within 20 days after the giving of notice of such Event of Default to the Indenture Trustee and the Investors, the Owner Trustee may, subject to instructions received at any time from the Owner, take such action, or refrain from taking such action, but shall be under no duty to take or refrain from taking any action, with respect to such Event of Default as it shall deem advisable in the best interests of the Owner.

SECTION 5.02. Subject to the terms of Sections 5.01 and 5.03 hereof, upon the written instructions at any time and from time to time of the Owner, the Owner Trustee will take such of the following actions, not inconsistent with the provisions of the Trust Indenture, as may be specified in such instructions: (i) give such notice or direction or exercise such right or power under the Lease or the Manu-

facturing Agreement as shall be specified in such instructions; (ii) take such action to preserve or protect the Estate (including the discharge of liens and encumbrances) as shall be specified in such instructions; (iii) approve as satisfactory to it all matters required by the terms of the Lease to be satisfactory to the Owner Trustee, it being understood that without the written instructions of the Owner the Owner Trustee shall not approve any such matter as satisfactory to it; and (iv) after the expiration or earlier termination of the Lease with respect to a unit of Equipment, in a commercially reasonable manner convey all the Owner Trustee's right, title and interest in and to such unit of Equipment for such amount, on such terms and to such purchaser or purchasers as shall be designated in such instructions, or retain, lease or otherwise dispose of such unit of Equipment on such terms as shall be designated in such instructions.

SECTION 5.03. The Owner Trustee shall be under no duty to take any action or refrain from taking any action under Section 5.01 or 5.02 hereof unless the Owner Trustee shall have been indemnified by the Owner, in manner and form satisfactory to the Owner Trustee, against any liability, cost or expense (including counsel fees) which may be incurred in connection with such action or inaction. The Owner Trustee shall not be required to take any action under Section 5.01 or 5.02 hereof, nor shall any other provision of this Trust Agreement be deemed to impose a duty on the Owner Trustee to take any action, if the Owner Trustee shall determine, or shall have been advised by counsel, that such action is contrary to the terms of this Trust Agreement or the Lease or is otherwise contrary to law.

SECTION 5.04. The Owner Trustee shall not have any duty or obligation to manage, control, use, sell or otherwise transfer title to or dispose of or otherwise deal with any unit of Equipment or any other part of the Estate, or otherwise to take or refrain from taking any action under, or in connection with, the Lease, the Manufacturing Agreement or the Trust Indenture, except as expressly provided by the terms of this Trust Agreement, the Trust Indenture or the Participation Agreement or as expressly provided in written instructions from the Owner received pursuant to the terms of Section 5.01 or 5.02 hereof; and no implied duties or obligations shall be read into this Trust Agreement against the Owner Trustee. The Owner Trustee nevertheless agrees that it will, at its own cost and expense, promptly

take such action as may be necessary to duly discharge any liens or encumbrances on any part of the Estate which result from claims against the Owner Trustee or the trust created hereby not related to the ownership of the Equipment or the administration of the Estate.

SECTION 5.05. The Owner Trustee shall not manage, control, use, sell or otherwise transfer title to, or dispose of or otherwise deal with any unit of Equipment or any other part of the Estate, except (i) as required by the terms of the Participation Agreement, the Trust Indenture, the Manufacturing Agreement or the Lease, (ii) in accordance with the powers expressly granted to, or the authority expressly conferred upon, the Owner Trustee pursuant to this Trust Agreement or (iii) in accordance with written instructions from the Owner pursuant to Sections 5.01 or 5.02 hereof.

ARTICLE VI

The Owner Trustee

SECTION 6.01. The Owner Trustee accepts the trusts hereby created and agrees to perform the same but only upon the terms of this Trust Agreement, and agrees to receive and disburse all moneys constituting part of the Estate in accordance with the provisions hereof. The Owner Trustee shall not be answerable or accountable under any circumstances, except (i) for its own wilful misconduct or negligence, or (ii) in the case of the inaccuracy of any representation or warranty contained in Section 6.03 hereof or in Section 6.03 of the Trust Indenture or (iii) as arising out of the failure to perform by the Owner Trustee of its obligations under the last sentence of Section 5.04 hereof.

SECTION 6.02. Except in accordance with written instructions furnished pursuant to Section 5.02 hereof and without limiting the generality of Sections 5.04 and 5.05 hereof, the Owner Trustee shall have no duty (i) to see to any recording, filing or depositing of the Participation Agreement, the Trust Indenture, the Manufacturing Agreement or the Lease or of this Trust Agreement, or to see to the maintenance of any such recording, filing or depositing or to any rerecording, refiling or redepositing of any thereof, (ii) to see to any insurance on the Equipment or to effect or maintain any such insurance, (iii) to review the financial condition or operations of Lessee, or make any determination with respect to an adverse change therein, (iv) except as

otherwise provided in Section 5.04 hereof, to see to the payment or discharge of any tax, assessment or other governmental charge or any lien or encumbrance of any kind owing with respect to, or assessed or levied against, any part of the Estate or the Trust Estate, (v) to confirm or verify any financial statements or reports of the Lessee or (vi) to inspect the Equipment at any time or ascertain or inquire as to the performance or observance of any of the Lessee's covenants under the Lease with respect to the Equipment. Notwithstanding the foregoing, the Owner Trustee will furnish to the Indenture Trustee and each Investor, promptly upon receipt thereof, duplicates or copies of all reports, notices, requests, demands, certificates, financial statements and other instruments furnished to the Owner Trustee hereunder or under the Participation Agreement, the Lease or the Manufacturing Agreement.

SECTION 6.03. The Owner Trustee does not make and shall not be deemed to have made (i) any representation or warranty, express or implied, as to the value, condition or fitness for use of any of the Equipment or as to its title thereto or any other representation or warranty whatsoever, express or implied, with respect to the Equipment, except that the Owner Trustee hereby warrants to each Investor that (a) on the delivery date for each unit of Equipment such unit of Equipment shall be free of liens and encumbrances resulting from claims against the Owner Trustee not related to the ownership of the Equipment or the administration of the Estate or any other transaction pursuant to this Agreement, and (b) each unit of Equipment shall, while a part of the Estate and at the time of any conveyance therefrom, be free of liens and encumbrances resulting from any acts of the Owner Trustee except liens and encumbrances permitted by the Lease or this Agreement or created by this Agreement, the Trust Indenture or the Manufacturing Agreement or liens and encumbrances arising from the administration of the Estate, or (ii) any representation or warranty as to the validity, legality or enforceability of this Agreement, the Trust Indenture, the Participation Agreement, the Lease, the Manufacturing Agreement or the assignments of the Bills of Sale or as to the correctness of any statement contained in any thereof except to the extent that any such statement is expressly made by the Owner Trustee in this Section 6.03, except that the Owner Trustee hereby represents and warrants to the Indenture Trustee and each Investor that this Agreement has been, and the Participation Agreement, the Trust Indenture, the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale have been (or at the time of execution

and delivery of any such instrument by the Owner Trustee that such instrument will be) duly executed and delivered by one of its officers who is or will be, as the case may be, duly authorized to execute and deliver such instruments on behalf of the Owner Trustee.

SECTION 6.04. Moneys received by the Owner Trustee hereunder need not be segregated in any manner except to the extent required by law and may be deposited under such general conditions as may be prescribed by law in the general banking department of the Owner Trustee, and the Owner Trustee shall not be liable for any interest thereon.

SECTION 6.05. The Owner Trustee shall incur no liability to anyone in acting upon any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond or other document or paper believed by it to be genuine and believed by it to be signed by the proper party or parties. The Owner Trustee may accept a copy of a resolution of the Board of Directors of any corporate party, certified by the Secretary or an Assistant Secretary thereof as duly adopted and in full force and effect (or in lieu thereof a resolution of the executive committee of such corporate party), as conclusive evidence that such resolution has been duly adopted by said Board and that the same is in full force and effect. As to any fact or matter, the manner of ascertainment of which is not specifically described herein, the Owner Trustee may for all purposes hereof rely on a certificate, signed by or on behalf of the proper party executing the same, as to such fact or matter, and such certificate shall constitute full protection to the Owner Trustee for any action taken or omitted to be taken by it in good faith in reliance thereon. In the administration of the trusts hereunder, the Owner Trustee may execute any of the trusts or powers hereof and perform its powers and duties hereunder directly or through agents or attorneys and may, at the expense of the Estate, seek advice of counsel, accountants and other skilled persons to be selected and employed by it, and the Owner Trustee shall not be liable for anything done, suffered or omitted in good faith by it in accordance with the advice or opinion of any such counsel, accountants or other skilled persons.

SECTION 6.06. In accepting the trusts hereby created, the Owner Trustee acts solely as trustee hereunder and not in its individual capacity; and all persons, other than the Owner as provided herein, and the Indenture Trustee

and the Lenders as provided in the Trust Indenture, having any claim against the Owner Trustee by reason of the transactions contemplated hereby shall look, subject to the interests created hereby and the priorities of payment provided herein, only to the Estate for payment or satisfaction thereof.

SECTION 6.07. The Owner Trustee, or any successor thereto, from time to time serving hereunder, shall have the absolute right, acting independently, to take any action and to exercise any right, remedy, power or privilege conferred upon the Owner Trustee hereunder; and any action taken by the Owner Trustee from time to time serving hereunder shall be binding upon the Owner Trustee and no person dealing with the Owner Trustee from time to time serving hereunder shall be obligated to confirm the power and authority of the Owner Trustee to act.

SECTION 6.08. The Owner Trustee shall be entitled to receive reasonable compensation for its services hereunder.

SECTION 6.09. Any and all exculpatory provisions, immunities and indemnities in favor of the Owner Trustee under this Agreement shall inure to the benefit of the Owner Trustee in its capacity as such, as lessor under the Lease, as assignee under the assignments of the Bills of Sale and as the party for whom the Equipment is constructed under the Manufacturing Agreement.

ARTICLE VII

Indemnification of Owner Trustee by Owner

SECTION 7.01. The Owner hereby agrees, whether or not any of the transactions contemplated hereby shall be consummated, to assume liability for, and does hereby indemnify, protect, save and keep harmless the Owner Trustee and its respective successors, assigns, legal representatives, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, taxes (such term "taxes" or the term "tax" as used in this Section 7.01 shall include, without limitation, all taxes specifically related to this Trust Agreement and the Estate created hereby excluding, however, any income taxes on fees or other compensation received by the Owner Trustee in its capacity as Owner Trustee), claims, actions, suits, costs, expenses

or disbursements (including, without limitation, legal fees and expenses) of any kind and nature whatsoever (herein collectively called "Expenses") which may be imposed on, incurred by or asserted against the Owner Trustee (whether or not also indemnified against by the Lessee under the Lease, the Participation Agreement or the Manufacturing Agreement or also indemnified by any other person) in any way relating to or arising out of this Trust Agreement, the Trust Indenture, the Participation Agreement, the Lease, the Manufacturing Agreement or the assignments of the Bills of Sale or the performance or enforcement of any of the terms of any thereof, or in any way relating to or arising out of the manufacture, purchase, acceptance, rejection, ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of the Equipment (including, without limitation, latent and other defects, whether or not discoverable, and any claim for patent, trademark or copyright infringement), or in any way relating to or arising out of the administration of the Estate or the action or inaction of the Owner Trustee hereunder, except only in the case of Expenses resulting from wilful misconduct or negligence on the part of the Owner Trustee in the performance of its duties hereunder or as a result of a breach of any representation made by the Owner Trustee in connection with this trust or arising out of the failure to perform by the Owner Trustee of its obligations under the last sentence of Section 5.04 hereof; but only in the event and to the extent that the Owner Trustee does not receive payment for any such Expenses from the Lessee under the Lease. The indemnities contained in this Section 7.01 shall survive the termination of this Trust Agreement. In addition, if necessary, the Owner Trustee shall be entitled to indemnification from the Estate, subject to the lien of the Trust Indenture, for any Expenses indemnified against pursuant to this Section 7.01 to the extent not reimbursed by the Lessee, the Owner or any other person; and to secure the same, the Owner Trustee shall have a lien, subject to the lien of the Trust Indenture, on the Estate prior to any interest therein of the Owner.

Without limiting the generality of the provisions contained herein, the Owner agrees promptly to pay any and all amounts and discharge any and all liens, charges or security interests claimed by any party from, through or under the Owner or its successors or assigns not arising out of the transactions contemplated hereby and by the Participation Agreement, the Trust Indenture, the Manufacturing Agreement

and the Lease (but including taxes and tax liens arising out of the receipt of the income and proceeds from the Estate), which, if unpaid or undischarged, are or might become a lien, charge or security interest on or with respect to the Estate, or any part thereof, equal or superior to the Lenders' interest therein, but the Owner 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 reasonable opinion of the Lenders, adversely affect the security interest of the Lenders in any part of the Estate set over and conveyed to the Indenture Trustee pursuant to the Trust Indenture.

SECTION 7.02. The Owner hereby agrees with and for the benefit of the Owner Trustee and the Indenture Trustee that in the event that a payment is made by the Indenture Trustee to the Owner under the Trust Indenture after the occurrence of an Indenture Default (other than a Lease Default) not known to the Indenture Trustee and while the same is continuing and the Indenture Trustee requests within 90 days of such payment repayment from the Owner, then the Owner shall forthwith upon receipt of such request repay the amount of such payment to the Indenture Trustee (in immediately available funds) for application by the Indenture Trustee as provided in Article III of the Trust Indenture.

ARTICLE VIII

Transfer of the Owner's Interests

SECTION 8.01. The Owner shall not without the prior written consent of a Majority in Interest of Investors assign, convey or otherwise transfer any of its right, title or interest in and to this Trust Agreement, the Estate or the Participation Agreement, except that all, but not less than all, of the right, title and interest of the Owner in and to this Trust Agreement, the Estate and the Participation Agreement may be assigned, conveyed or transferred by the Owner (hereinafter in this Section 8.01 acting in such capacity referred to as the "Transferor") without such written consent to (a) any bank or trust company having a combined capital and surplus of at least $50,000,000 that is a member of the Federal Deposit Insurance Corporation or (b) Chase Manhattan Corporation or any wholly owned subsidiary (except for directors' qualifying shares) of Chase

Manhattan Corporation (such institution or corporation to whom such interest may be assigned, conveyed or transferred being hereinafter referred to as the "Transferee"). In the event of any such assignment, conveyance or transfer, the Transferee shall become a party to this Trust Agreement and will agree to be bound by all the terms of and will undertake all the obligations of the Owner contained in this Trust Agreement in such manner as is satisfactory to the Owner Trustee and a Majority in Interest of Investors; and if the Transferee shall be a corporation of the type described in clause (b) above but not in clause (a) above, the Transferor shall remain responsible and liable for all obligations of the Owner and the Transferee under this Trust Agreement. No such assignment, conveyance or transfer shall violate any provision of law or regulation or create a relationship which would be in violation thereof. The Owner Trustee shall not be on notice of or otherwise bound by any such assignment, conveyance or transfer unless and until it shall have received an executed counterpart of the instrument of such assignment, conveyance or transfer and such evidence that a transfer is in accordance with this Section 8.01 as the Owner Trustee shall reasonably require. Upon any such disposition by the Transferor to a Transferee as above provided, such Transferee shall be deemed the "Owner" for all purposes hereof, and shall be deemed to have made all the payments previously made by the Transferor and to have acquired the same proportionate interest in the Estate as theretofore held by the Transferor; and each reference herein to the Owner shall thereafter be deemed to include such Transferee.

SECTION 8.02. If the Owner shall propose to transfer its interests hereunder pursuant to Section 8.01 hereof, it shall give written notice to the Owner Trustee and the Lenders at least 15 days prior to such proposed transfer, specifying the name and address of the proposed Transferee, and enclosing the agreement or agreements referred to in said Section 8.01.

ARTICLE IX

Successor Owner Trustees

SECTION 9.01. (a) The Owner Trustee or any successor Owner Trustee may resign at any time without cause by giving at least 30 days' prior written notice to the Indenture Trustee and each Investor, such resignation to

be effective on the acceptance of appointment by the successor Owner Trustee under Section 9.01(b) hereof. In addition, the Owner Trustee may be removed at any time without cause by the Owner by an instrument in writing delivered to the Owner Trustee, the Indenture Trustee and each Lender, such removal to be effective on the acceptance of appointment by the successor Owner Trustee under Section 9.01(b) hereof. In case of the resignation or removal of the Owner Trustee, the Owner may appoint a successor Owner Trustee by a written instrument signed by the Owner. If a successor Owner Trustee shall not have been appointed within 30 days after the giving of the written notice of such resignation or the delivery of the written instrument with respect to such removal, any Investor, the Indenture Trustee or the Owner Trustee may apply to any court of competent jurisdiction to appoint a successor Owner Trustee to act until such time, if any, as a successor shall have been appointed as above provided. Any successor Owner Trustee so appointed by such court shall immediately and without further act be superseded by any successor Owner Trustee appointed as above provided within one year from the date of the appointment by such court.

(b) Any successor Owner Trustee, whether appointed by a court or by the Owner, shall execute and deliver to the predecessor Owner Trustee an instrument accepting such appointment, and thereupon such successor Owner Trustee, without further act, shall become vested with all the estates, properties, rights, powers, duties and trusts of the predecessor Owner Trustee in the trusts hereunder with like effect as if originally named as an Owner Trustee herein; but nevertheless upon the written request of such successor Owner Trustee, such predecessor Owner Trustee shall execute and deliver an instrument transferring to such successor Owner Trustee, upon the trusts herein expressed, all the estates, properties, rights, powers and trusts of such predecessor Owner Trustee, and such predecessor Owner Trustee shall duly assign, transfer, deliver and pay over to such successor Owner Trustee any property or moneys then held by such predecessor Owner Trustee upon the trusts herein expressed.

(c) Any successor Owner Trustee, however appointed, shall be a trust company incorporated and doing business within the United States of America, and having a combined capital and surplus of at least $50,000,000 if there be such an institution willing, able and legally qualified to perform the duties of Owner Trustee hereunder upon reasonable or customary terms.

(d) Any corporation into which the Owner Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Owner Trustee shall be a party, or any corporation to which substantially all the corporate trust business of the Owner Trustee may be transferred, shall, subject to the terms of Section 9.01(c) hereof, be the Owner Trustee under this Agreement without further act.

SECTION 9.02. (a) Whenever the Owner Trustee shall deem it necessary or prudent in order either to conform to any law of any jurisdiction in which all or any part of the Estate shall be situated or to make any claim or bring any suit with respect to the Estate or the Lease, or the Owner Trustee shall be advised by counsel satisfactory to it that it is so necessary or prudent in the interest of the Owner or the Lenders or in the event that the Owner Trustee shall have been requested to do so by a Majority in Interest of Investors, the Owner Trustee and the Owner shall execute and deliver an agreement supplemental hereto and all other instruments and agreements necessary or proper to constitute another bank or trust company, or one or more persons approved by the Owner Trustee, either to act as additional trustee or trustees of all or any part of the Estate, jointly with the Owner Trustee, or to act as separate trustee or trustees of all or any part of the Estate, in any such case with such powers as may be provided in such agreement supplemental hereto, and to vest in such bank, trust company or person as such additional trustee or separate trustee, as the case may be, any property, title, right or power of the Owner Trustee deemed necessary or advisable by the Owner Trustee, subject to the remaining provisions of this Section 9.02. The Owner Trustee may execute, deliver and perform any deed, conveyance, assignment or other instrument in writing as may be required by any additional trustee or separate trustee for more fully and certainly vesting in and confirming to it or him any property, title, right or power which, by the terms of such agreement supplemental hereto, are expressed to be conveyed or conferred to or upon such additional trustee or separate trustee, and the Owner shall, upon the Owner Trustee's request, join therein and execute, acknowledge and deliver the same.

(b) Every additional trustee and separate trustee hereunder shall, to the extent permitted by law, be appointed and act and the Owner Trustee shall act, subject to the

following provisions and conditions:

(i) all powers, duties, obligations and rights conferred upon the Owner Trustee in respect of the receipt, custody, investment and payment of moneys shall be exercised solely by the Owner Trustee;

(ii) all other rights, powers, duties and obligations conferred or imposed upon the Owner Trustee shall be conferred or imposed upon and exercised or performed by the Owner Trustee and such additional trustee or trustees and separate trustee or trustees jointly, except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed the Owner Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations (including the holding of title to the Estate in any such jurisdiction) shall be exercised and performed by such additional trustee or trustees or separate trustee or trustees;

(iii) no power hereby given to, or with respect to which it is hereby provided may be exercised by, any such additional trustee or separate trustee shall be exercised hereunder by such additional trustee or separate trustee except jointly with, or with the consent of, the Owner Trustee; and

(iv) no trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder.

If at any time the Owner Trustee shall deem it no longer necessary or prudent in order to conform to any such law or take any such action or shall be advised by such counsel that it is no longer so necessary or prudent in the interest of the Owner or the Lenders or in the event that the Owner Trustee shall have been requested to do so in writing by a Majority in Interest of Investors, the Owner Trustee and the Owner shall execute and deliver an agreement supplemental hereto and all other instruments and agreements necessary or proper to remove any additional trustee or separate trustee.

(c) Any additional trustee or separate trustee may at any time by an instrument in writing constitute the

Owner Trustee its agent or attorney-in-fact, with full power and authority, to the extent which may be authorized by law, to do all acts and things and exercise all discretions which it is authorized or permitted to do or exercise, for and in its behalf and in its name. In case any such additional trustee or separate trustee shall die, become incapable of acting, resign or be removed, all the assets, property, rights, powers, trusts, duties and obligations of such additional trustee or separate trustee, as the case may be, so far as permitted by law, shall vest in and be exercised by the Owner Trustee, without the appointment of a new successor to such additional trustee or separate trustee unless and until a successor is appointed in the manner hereinbefore provided.

(d) Any request, approval or consent in writing by the Owner Trustee to any additional trustee or separate trustee shall be sufficient warrant to such additional trustee or separate trustee, as the case may be, to take such action as may be so requested, approved or consented to.

(e) Each additional trustee and separate trustee appointed pursuant to this Section shall be subject to, and shall have the benefit of, the first two sentences of Section 9.01(a) hereof and Articles V, VI, VII and X hereof in so far as they apply to the Trustee.

ARTICLE X

Supplements and Amendments to this Trust Agreement and Other Documents

SECTION 10.01. At any time and from time to time, upon the written request of the Owner and a Majority in Interest of Investors, (i) the Owner Trustee, together with the Owner, shall execute a supplement hereto for the purpose of adding provisions to, or changing or eliminating provisions of, this Trust Agreement (except Section 11.12 hereof) as specified in such request and (ii) the Owner Trustee shall, subject to complaince with the applicable provisions of Article VIII of the Trust Indenture, enter into such written amendment of or supplement to the Trust Indenture, the Lease or the Manufacturing Agreement as the Indenture Trustee and the Lessee may agree to and as may be specified in such request, or execute and deliver such written waiver or modification of the terms of the Trust Indenture, the

Lease or the Manufacturing Agreement as may be specified in such request; provided, that the written request of a Majority in Interest of Investors shall not be required for any such supplement to this Trust Agreement which would not adversely affect the Lenders or the Indenture Trustee. Notwithstanding anything contained in this Section 10.01 to the contrary, in the event that any unit of Equipment has been settled for under the Manufacturing Agreement but is not financed in part by funds made available by the Lenders to the Indenture Trustee on a Lenders' Closing Date under the Participation Agreement, the Owner and the Owner Trustee shall execute a supplement hereto, without the necessity for consent thereto by the Indenture Trustee or any Lender, excluding such Equipment from the Estate.

SECTION 10.02. If in the opinion of the Owner Trustee any document required to be executed pursuant to the terms of Section 10.01 hereof affects any rights, duties, immunities or indemnities in favor of the Owner Trustee under this Trust Agreement, the Trust Indenture, the Manufacturing Agreement or the Lease, the Owner Trustee may in its discretion decline to execute such document.

SECTION 10.03. It shall not be necessary for any written request furnished pursuant to Section 10.01 hereof to specify the particular form of the proposed documents to be executed pursuant to said Section, but it shall be sufficient if such request shall indicate the substance thereof.

SECTION 10.04. Promptly after the execution by the Owner Trustee of any document entered into pursuant to Section 10.01 hereof, the Owner Trustee shall mail, by first class mail, postage prepaid, a signed copy thereof to the Indenture Trustee and a conformed copy thereof to each Investor at its address last known to the Owner Trustee, without in any way affecting the Trust Indenture and without imposing any duty on the Indenture Trustee with respect to any document entered into pursuant to Section 10.01 hereof.

ARTICLE XI

Miscellaneous

SECTION 11.01. This Trust Agreement and the trusts created hereby shall terminate and this Trust Agreement shall be of no further force or effect upon the earlier of (i) the sale, transfer or other final disposition by the Owner Trustee or the Indenture Trustee, as the case may be, of all property constituting part of the Trust Estate

and the Estate and the final distribution by the Owner Trustee or the Indenture Trustee, as the case may be, of all moneys or other property or proceeds constituting part of the Trust Estate and the Estate in accordance with the terms of the Trust Indenture and Article IV hereof, provided that at such time the Lessee shall have fully complied with all the terms of the Lease, the Manufacturing Agreement and the Participation Agreement, and (ii) twenty-one years less one day after the death of the survivor of the issue, living on the date of the earliest acknowledgment of the execution of this Trust Agreement, of the present members of the Boards of Directors of the Owner Trustee or CMRLC, otherwise this Trust Agreement and the trusts created hereby shall continue in full force and effect in accordance with the terms hereof.

SECTION 11.02. The Owner shall not have legal title to any part of the Estate. No transfer, by operation of law or otherwise, of the interests of the Owner or other right, title and interest of the Owner in and to the Estate or hereunder shall operate to terminate this Trust Agreement or the trusts hereunder or entitle any successor or transferee to an accounting or to the transfer to it of legal title to any part of the Estate.

SECTION 11.03. Any assignment, sale, transfer or other conveyance by the Owner Trustee of the interest of the Owner Trustee in the Manufacturing Agreement or the Lease or any unit of Equipment made pursuant to the terms of this Trust Agreement, the Manufacturing Agreement or of the Lease shall bind the Owner and shall be effective to transfer or convey all right, title and interest of the Owner Trustee and the Owner in and to such agreements or such Equipment. No purchaser or other grantee shall be required to inquire as to the authorization, necessity, expediency or regularity of such sale or conveyance or as to the application of any sale or other proceeds with respect thereto by the Owner Trustee.

SECTION 11.04. Nothing in this Trust Agreement, whether express or implied, shall be construed to give to any person other than the Owner Trustee, the Owner, the Indenture Trustee and the Lenders any legal or equitable right, remedy or claim under or in respect of this Trust Agreement or the Estate; but this Trust Agreement and the Estate shall be held for the sole and exclusive benefit of the Owner Trustee, the Owner, the Indenture Trustee and the Lenders.

SECTION 11.05. Unless otherwise expressly specified or permitted by the terms hereof, all notices shall be in writing, mailed by regular mail, postage prepaid, (i) if to the Owner Trustee, addressed to it at the Trust Office, (ii) if to CMRLC or a Lender party to the Participation Agreement, addressed to such party at such address as such party shall have furnished by notice to the Owner Trustee, or, until an address is so furnished, addressed to such party at its address set forth in Paragraph 11 of the Participation Agreement or in Schedule A thereto, (iii) if to the Indenture Trustee, addressed to it at 231 South LaSalle Street, Chicago, Illinois 60693, attention of Corporate Trust Department, and (iv) if to any successor or assign of the Indenture Trustee or any Investor, to such address as may be furnished to the Owner Trustee in writing for such purpose. Whenever any notice in writing is required to be given by the Owner Trustee, the Indenture Trustee or any Investor to any of the other of them, such notice shall be deemed given and such requirement satisfied if such notice is mailed by regular mail, postage prepaid, addressed as provided above.

SECTION 11.06. Any provision of this Trust Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 11.07. Subject to Section 10.01 hereof, no term or provision of this Trust Agreement may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party or other person against whom enforcement of the change, waiver, discharge or termination is sought; and any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given.

SECTION 11.08. This Trust Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 11.09. All covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the Owner Trustee, the Indenture Trustee and the Lenders

and their respective successors and assigns and the Owner and its successors and, to the extent permitted by Article VIII hereof, its assigns. Any request, notice, direction, consent, waiver or other instrument or action by any Investor shall bind the successors and assigns thereof.

SECTION 11.10. The headings of the various articles herein are for convenience of reference only and shall not modify, define, expand or limit any of the terms or provisions hereof.

SECTION 11.11. This Trust Agreement shall in all respects be governed by, and construed in accordance with, the laws of the State of Illinois, including all matters of construction, validity and performance.

SECTION 11.12. Notwithstanding any provision of this Trust Agreement, the Owner Trustee is hereby authorized and instructed to enter into and perform fully the Trust Indenture. This provision is for the benefit of the Indenture Trustee and the Lenders and shall not be amended, modified or revoked until termination of the Trust Indenture pursuant to the express provisions thereof.

SECTION 11.13. This Trust Agreement amends, restates and supersedes in its entirety the previous trust agreement dated as of August 1, 1975, between CMSC and the Owner Trustee. CMSC has previously assigned, conveyed and transferred its right, title and interest in and to said trust agreement and the Estate to CMRLC.

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

HARRIS TRUST AND SAVINGS BANK,
as Owner Trustee,

by

_____
Vice President

[Seal]

Attest:

_____
Assistant Secretary

CHASE MANHATTAN REALTY LEASING CORPORATION,

by

_____
Vice President

[Seal]

Attest

_____
Assistant Secretary

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of 1975, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of HARRIS TRUST AND SAVINGS BANK, 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 corpo= ration.

_____
Notary Public

[Notarial Seal]

My Commission expires

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this day of 1975, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of CHASE MANHATTAN REALTY LEASING CORPORATION, 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.

_____
Notary Public

[Notarial Seal]

My Commission expires

ANNEX A TO TRUST AGREEMENT

Type	Quantity	Lessee's Car Numbers (Inclusive)
50-ton, 54'4" boxcars	588	ICG 526000-526224 ICG 526500-526595 ICG 527000-527049 ICG 527200-527362 ICG 576225-576274 ICG 576596-576599
70-ton, 54'4-1/2" to 57'11-1/2" boxcars	212	ICG 152000-152006 ICG 152100-152116 ICG 152200-152212 ICG 527050-527128 ICG 527700-527719 ICG 545800-545825 ICG 595826-595874 ICG 577129

EXHIBIT D TO
PARTICIPATION AGREEMENT

TRUST INDENTURE AND MORTGAGE

This TRUST INDENTURE AND MORTGAGE dated as of August 1, 1975, between HARRIS TRUST AND SAVINGS BANK, an Illinois corporation, as owner trustee under the Trust Agreement referred to below (herein called the "Owner Trustee"), and CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association, as indenture trustee hereunder (herein called the "Indenture Trustee").

This Trust Indenture and Mortgage Witnesseth, that, to secure the prompt payment of the principal and interest and all other amounts due to the Lenders hereunder and the performance and observance by the Owner Trustee of all its agreements, covenants and provisions herein for the benefit of the Lenders contained, and for the uses and purposes and subject to the terms and provisions hereof, and in consideration of the premises and of the covenants herein contained, and for other good and valuable consideration the receipt of which is hereby acknowledged;

GRANTING CLAUSE

A. The Owner Trustee by these presents does grant, bargain, sell, release, convey, set over, assign, transfer, mortgage, hypothecate, pledge, confirm and create a security interest in, unto the Indenture Trustee, its successors and assigns, the following described property, rights and privileges (all being included in the Trust Estate), to wit:

(1) The Equipment as defined in Section 1.01 hereof;

(2) All the estate, right, title and interest of the Owner Trustee in and to the Lease, including, without limitation, all amounts of rent, insurance proceeds and requisition, indemnity and other payments of any kind, and including all rights of the Owner Trustee (excluding, however, the rights of the Owner under the final paragraph of § 10 of the Lease) to execute any election or option or to make any decision or determination or to give any notice, consent, waiver or approval under or in respect of the Lease or to accept any sur-

render of the Equipment or any unit thereof or any part thereof, as well as all rights, powers or remedies on the part of the Owner Trustee, whether arising under the Lease or by statute or at law or in equity, or otherwise, arising out of any Event of Default by the Lessee under the Lease; the Lease is pledged hereunder by the below assignment;

(3) All the estate, right, title and interest of the Owner Trustee in and to the Manufacturing Agreement and the assignments of the Bills of Sale assigned below to the Indenture Trustee;

(4) All the tolls, rents, issues, profits, products, revenues and other income of the property subjected or required to be subjected to the lien of this Trust Indenture, and all the estate, right, title and interest of every nature whatsoever of the Owner Trustee in and to the same and every part thereof; and

(5) All proceeds of the foregoing.

Concurrently with the delivery hereof, the Owner Trustee is delivering to the Indenture Trustee executed counterparts of the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale.

B. To have and to hold all and singular the aforesaid property unto the Indenture Trustee, its successors and assigns, in trust for the benefit and security of the Lenders without any priority of any one Lender over any other, except as herein otherwise expressly provided, and for the uses and purposes and subject to the terms and provisions set forth in this Trust Indenture.

C. In order to effectuate the foregoing and to secure payment, performance and observance, for the same consideration as set forth above, the Owner Trustee has transferred, assigned, granted, bargained, sold, conveyed, set over, mortgaged, hypothecated and pledged, and does hereby transfer, assign, grant, bargain, sell, convey, set over, mortgage, hypothecate and pledge, to the Indenture Trustee, its successors and assigns, in the trust hereby created for the security and benefit of the Lenders, the Equipment. The security interest created by the foregoing assignment attaches upon the delivery of the Equipment under the Manufacturing Agreement.

D. In order to effectuate the foregoing and to secure payment, performance and observance, for the same consideration as set forth above, the Owner Trustee has sold, assigned, transferred and set over and does hereby sell, assign, transfer and set over unto the Indenture Trustee, and its successors and assigns, in the trust hereby created for the security and benefit of the Lenders, all the estate, right, title and interest of the Owner Trustee under, in and to (i) the Lease (excluding, however, the rights of the Owner under the final paragraph of § 10 of the Lease), (ii) all moneys and claims for moneys due and to become due to the Owner Trustee, and all claims for damages, in respect of any Casualty Occurrence with respect to the Equipment, and all other payments of any kind, and (iii) the Manufacturing Agreement and the assignments of the Bills of Sale. The security interest created by the foregoing assignment attaches upon the delivery hereof.

E. It is expressly agreed that anything herein contained to the contrary notwithstanding, the Owner Trustee shall remain liable under the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale to perform all of the obligations assumed by it thereunder all in accordance with and pursuant to the terms and provisions thereof, and the Indenture Trustee shall have no obligation or liability under the Lease by reason of or arising out of the assignment hereunder, nor shall the Indenture Trustee be required or obligated in any manner to perform or fulfill any obligations of the Owner Trustee under or pursuant to the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale or, except as herein expressly provided, to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by it, or present or file any claim, or take any action to collect or enforce the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

F. The Owner Trustee does hereby constitute the Indenture Trustee the true and lawful attorney of the Owner Trustee, irrevocably, with full power (in the name of the Owner Trustee or otherwise) to ask, require, demand, receive, compound and give acquittance for any and all moneys and claims for moneys due and to become due under or arising out of the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any pro-

ceedings which the Indenture Trustee may deem to be necessary or advisable in the premises.

G. The Owner Trustee agrees that at any time and from time to time, upon the written request of the Indenture Trustee, the Owner Trustee will promptly and duly execute and deliver any and all such further instruments and documents as the Indenture Trustee may deem desirable in obtaining the full benefits of the assignment hereunder and of the rights and powers herein granted.

H. The Owner Trustee does hereby warrant and represent that it has not assigned or pledged, and hereby covenants that it will not assign or pledge, so long as the assignment hereunder shall remain in effect, any of its right, title or interest hereby assigned, to anyone other than the Indenture Trustee, and that it will not, except as provided in this Trust Indenture, enter into any agreement amending or supplementing the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale, settle or compromise any claim against the Lessee arising under the Lease, the Manufacturing Agreement and assignments of the Bills of Sale, or submit or consent to the submission of any dispute, difference or other matter arising under or in respect of the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale, to arbitration thereunder.

I. The Owner Trustee does hereby ratify and confirm the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale, and acknowledges the existence of the Bills of Sale and does hereby agree that it will not, except as provided in Article VIII hereof, take or omit to take any action, the taking or omission of which might result in an alteration or impairment of the Lease or the assignment hereunder or of any of the rights created by the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale or the assignment hereunder.

Upon Condition that, unless an Indenture Default has occurred and is continuing, the Owner Trustee shall be permitted to possess and use the Equipment and, with the consent of the Indenture Trustee, to exercise all rights with respect thereto and under the documents referred to above, and to receive and use the tolls, rents, issues, profits, products, revenues and other income of the Equipment except to the extent the same is required to be paid over to the Indenture Trustee pursuant to the provisions hereof.

It is Hereby Convenanted and Agreed by and between the parties hereto as follows:

ARTICLE I

Definitions

SECTION 1.01. For all purposes of this Trust Indenture the following terms shall have the following meanings (such definitions to be equally applicable to both the singular and plural forms of the terms defined):

"Equipment" shall mean the units of new, standard gauge railroad equipment described in Annex A attached hereto and, prior to the inclusion thereof in such units of railroad equipment, the parts covered by the Bills of Sale (and the assignments thereof to the Owner Trustee) and the articles, supplies, materials and parts acquired by the Contractor, as independent contractor under the Manufacturing Agreement on behalf of the Owner Trustee.

"Indenture Default" shall mean any event or condition described in Section 4.01(a) hereof.

"Investor" shall mean and include the Owner and each Lender.

"Lease" shall mean that certain restated Lease of Railroad Equipment dated as of the date hereof between the Owner Trustee and the Lessee, substantially in the form annexed to the Participation Agreement as Exhibit B, as from time to time supplemented or amended, or the terms thereof waived or modified, to the extent permitted by, and in accordance with, the terms of this Trust Indenture, which Lease has been assigned by the Owner Trustee to the Indenture Trustee as provided in the Granting Clause hereof.

"Lease Default" shall mean any of the events or conditions defined as an Event of Default in the Lease.

"Lender" shall mean and include each of the institutions listed in Schedule A to the Participation Agreement as a Lender, and their respective successors and assigns.

"Lessee" or "Contractor" shall mean Illinois Central Gulf Railroad Company and its successors and assigns as Lessee under the Lease and as Contractor under the Manufacturing Agreement.

"Majority in Interest of Investors" as of any particular date of determination shall mean (i) Lenders having interests in the Trust Estate in a principal amount in excess of 66-2/3% of the principal amount of the interests of all the Lenders in the Trust Estate, if any, as of such date and (ii) the Owner; provided, however, that during any period during which an Indenture Default (or any event or condition which after notice or lapse of time or both would constitute an Indenture Default) shall have occurred and be continuing, "Majority in Interest of Investors" shall not include the Owner, except with respect to giving any instructions or requests or taking any action or refraining from taking any action with respect to any unit of Equipment which has been settled for under the Manufacturing Agreement but which has not been financed in part by funds made available by the Lenders to the Indenture Trustee on a Lenders' Closing Date (as defined in the Participation Agreement) under the Participation Agreement.

"Majority in Interest of Lenders" as of any particular date of determination shall mean Lenders having interests in the Trust Estate in a principal amount in excess of 66-2/3% of the principal amount of the interests of all the Lenders in the Trust Estate as of such date.

"Manufacturing Agreement" shall mean that certain restated Manufacturing Agreement dated as of the date hereof between the Contractor and the Owner Trustee, substantially in the form annexed to the Participation Agreement as Exhibit A, as from time to time supplemented or amended, or the terms thereof waived or modified to the extent permitted by, and in accordance with, the terms of this Trust Indenture, which Manufacturing Agreement has been assigned by the Owner Trustee to the Indenture Trustee as provided in the Granting Clause hereof.

"Mortgaged Property" shall have the meaning ascribed in Section 4.01(b) hereof.

"Owner" shall mean and include Chase Manhattan

Realty Leasing Corporation and any other person to which the Owner transfers its right, title and interest in and to this Trust Agreement, the Estate and the Participation Agreement in accordance with Section 8.01 of the Trust Agreement, and their respective successors and assigns.

"Participation Agreement" shall mean that certain restated Participation Agreement dated as of the date hereof among the Lessee, the Owner Trustee, the Indenture Trustee, the Owner and the Lenders listed in Schedule A thereto, substantially in the form annexed hereto as Exhibit A, as from time to time supplemented or amended, or the terms thereof waived or modified, to the extent permitted by, and in accordance with, the terms thereof.

"Trust Agreement" shall mean that certain restated Trust Agreement dated as of the date hereof among the Owner and the Owner Trustee, substantially in the form annexed to the Participation Agreement as Exhibit C, as from time to time supplemented or amended, or the terms thereof waived or modified, to the extent permitted by, and in accordance with, the terms thereof.

"Trust Estate" shall mean all estate, right, title and interest of the Indenture Trustee in and to the Equipment, the Lease and the Manufacturing Agreement, including, without limitation, all amounts of rent, insurance proceeds and requisition, indemnity or other payments of any kind payable to the Indenture Trustee for or with respect to the Equipment or under any of such documents and all amounts payable to the Indenture Trustee pursuant to § 17(b) of the Lease.

"Trust Office" shall mean the principal corporate trust office of the Indenture Trustee at 231 South La Salle Street, Chicago, Illinois 60693, attention of Corporate Trust Department, or the principal corporate trust office of any successor Indenture Trustee.

SECTION 1.02. For all purposes of this Trust Indenture the following terms shall have the meanings defined in the Lease: "Casualty Occurrence", "Casualty Value" and "Event of Default".

SECTION 1.03. For all purposes of this Trust Indenture the following terms shall have the meanings defined in the Trust Agreement: "Bills of Sale", "Business Day" and

"Estate".

ARTICLE II

Interests of Lenders in Trust Estate; Payment of Principal and Interest to Lenders

SECTION 2.01. Each Lender shall have an interest in the Trust Estate in a principal amount equal to the principal amounts made available to the Indenture Trustee pursuant to Paragraph 1 of the Participation Agreement, less any principal payments made to such Lender pursuant to this Trust Indenture. Such principal amount will be payable in 60 consecutive quarterly instalments, calculated as hereinafter provided, on each of the quarterly anniversaries in each year of the final Lenders' Closing Date under the Participation Agreement, commencing the first such quarterly anniversary (or if any such date is not a Business Day, on the next succeeding Business Day), each such date being herein called a "Payment Date", and shall bear interest from the date such principal amount is made available to the Indenture Trustee pursuant to Paragraph 1 of the Participation Agreement on the unpaid principal amount thereof from time to time outstanding, payable to the extent accrued, on January 30, 1976, on the final Lenders' Closing Date under the Participation Agreement and on each Payment Date thereafter at the rate of 10-1/2% per annum. Instalments of principal shall be calculated on such a basis that the amount and allocation of principal and interest payable on each Payment Date shall be substantially in proportion to the amount and allocation of principal and interest payable on such Payment Date set forth in Schedule I hereto. All principal and interest remaining unpaid after the same shall have become due and payable will bear interest at the rate of 11-1/2% per annum. Interest shall be determined on the basis of a 360-day year of twelve 30-day months. All payments of principal and interest shall be made in such coin or 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.

SECTION 2.02. All payments to be made by the Indenture Trustee under this Trust Indenture shall be made only from the income and the proceeds from the Trust Estate and only to the extent that the Indenture Trustee shall have sufficient income or proceeds from the Trust Estate to make such payments in accordance with the terms of Article III hereof. Each Lender, by its execution and delivery of the Participa-

tion Agreement, individually agrees that it will look solely to the income and proceeds from the Trust Estate to the extent available for distribution to it as herein provided and that, except as specifically provided herein, neither the Owner, the Owner Trustee nor the Indenture Trustee is personally liable to any Lender for any amounts payable hereunder.

SECTION 2.03. All payments to be made by the Indenture Trustee hereunder shall (subject to timely receipt by the Indenture Trustee of available funds) be made by check mailed to each Lender or its nominee on the date such payment is due or, upon written request of such Lender, by bank wire to the account of such Lender or its nominee at such banking institution as may be specified to the Indenture Trustee in writing.

SECTION 2.04. In the case of payments to a Lender, each payment on account of interest only or of principal and interest shall be applied, first, to the payment of accrued interest to the date of such payment and, second, to the payment of such Lender's interest in the principal instalments due hereunder in the order of maturity thereof until the same shall have been paid in full.

SECTION 2.05. A Lender shall have no further interest in, or other right with respect to, the Trust Estate when and if the principal, interest and all other sums payable to such Lender hereunder, under the Lease and under the Participation Agreement shall have been paid in full.

ARTICLE III

Receipt, Distribution and Application of Income from the Trust Estate

SECTION 3.01. Except as otherwise provided in Section 3.03 hereof, each payment of rent pursuant to § 3 of the Lease as well as any payment of interest on overdue instalments of such rent received by the Indenture Trustee at any time shall be distributed by the Indenture Trustee on the date such payment is due from the Lessee (or as soon thereafter as such payment shall be received by the Indenture Trustee) in the following order of priority: first, so much of such payment as shall be required to pay in full the aggregate amount of the payments then due hereunder to the Lenders shall be distributed to the Lenders ratably, without priority of one over the other, in the proportion that the

amount of such payment or payments then due hereunder to each Lender bears to the aggregate amount of the payments then due hereunder to all Lenders; and, second, the balance, if any, of such payment remaining thereafter shall be distributed to the Owner.

SECTION 3.02. (a) Except as otherwise provided in Section 3.03 hereof, any payment received by the Indenture Trustee pursuant to the second paragraph of § 7 of the Lease as the result of a Casualty Occurrence shall in each case be distributed forthwith upon receipt by the Indenture Trustee in the following order of priority: first, so much of such payment as shall be required to prepay in full, without premium or penalty, the aggregate unpaid principal amount of the investments made by the Lenders under the Participation Agreement with respect to the Equipment suffering the Casualty Occurrence, plus the accrued but unpaid interest on such principal amount to the date of distribution, shall be distributed to the Lenders, ratably, without priority of one over the other, in the proportion that the unpaid principal amount of the investments made by each Lender, plus the accrued but unpaid interest thereon to the date of distribution, bears to the aggregate unpaid principal amount of the investments made by all Lenders, plus the accrued but unpaid interest thereon to the date of distribution; and, second, the balance, if any, of such payment remaining thereafter shall be distributed to the Owner.

(b) Except as otherwise provided in Section 3.03 hereof, any payment received directly or through the Lessee pursuant to the final paragraph of § 7 of the Lease as condemnation or similar payments or the payment of insurance proceeds with respect to any unit of Equipment as a result of a Casualty Occurrence, to the extent such payment is not at the time required to be paid to the Lessee pursuant to said § 7, shall, except as otherwise provided in the second sentence of this Section 3.02(b), be distributed forthwith upon receipt by the Indenture Trustee in the order of priority set forth in Section 3.02(a) hereof. Any portion of any payment referred to in the first sentence of this Section 3.02(b) which is not required to be paid to the Lessee pursuant to § 7 of the Lease solely because the Lessee shall not have paid to the Indenture Trustee the Casualty Value with respect to the unit of Equipment suffering the Casualty Occurrence shall be held by the Indenture Trustee as security for the obligations of the Lessee under the Lease, and at such time as the aforesaid Casualty Value shall have been paid, such portion shall be paid to the Lessee, unless the Indenture

Trustee shall have theretofore declared the Lease to be in default pursuant to § 10 thereof, in which event such portion shall be distributed forthwith upon such declaration in accordance with the provisions of Section 3.03(a) hereof.

SECTION 3.03. (a) All payments received and amounts realized by the Indenture Trustee after an Indenture Default shall have occurred and be continuing and, if such Indenture Default is also a Lease Default, after the Indenture Trustee has declared the Lease to be in default pursuant to § 10 thereof or, if such Indenture Default is not a Lease Default, after the Indenture Trustee or a Majority in Interest of Lenders has declared the unpaid principal amounts of the investments made by the Lenders pursuant to the Participation Agreement to be due and payable pursuant to Section 4.01(d) hereof (including any amounts realized by the Indenture Trustee from the exercise of any remedies pursuant to § 10 of the Lease), as well as all payments or amounts then held or thereafter received by the Indenture Trustee as part of the Trust Estate while such Indenture Default shall be continuing (but in any event excluding all payments received and amounts realized or held by the Indenture Trustee with respect to any unit of Equipment which has been settled for under the Manufacturing Agreement but which has not been financed in part by funds made available by the Lenders to the Indenture Trustee on a Lenders' Closing Date under the Participation Agreement), shall be distributed by the Indenture Trustee in the following order of priority: first, so much of such payments or amounts as shall be required to reimburse the Owner Trustee and/or the Indenture Trustee for any tax, expense, fees or other loss (including any tax, expense, fees or other loss required to be indemnified by the Lessee pursuant to § 6 or § 9 of the Lease) incurred by the Owner Trustee and/or the Indenture Trustee (to the extent not otherwise reimbursed and to the extent incurred in connection with their duties as Owner Trustee and Indenture Trustee, respectively) shall be applied by the Indenture Trustee as between itself and the Owner Trustee; second, (i) so much of such payments or amounts remaining as shall be required to reimburse the Lenders for payments made to the Indenture Trustee pursuant to Section 5.03 hereof or Paragraph 9 of the Participation Agreement shall be distributed to the Lenders ratably, without priority of one over the other, in accordance with the amount of the payment or payments made by each of them pursuant to said Section 5.03 or said Paragraph 9, and (ii) so much of such payments or amounts remaining as shall be required to pay to the Lenders any amounts owed to them pursuant to the provisions of §§ 6 or 9 of the Lease shall be distributed to each Lender entitled

thereto; and in case the aggregate amount so to be paid to all Lenders in accordance with clauses (i) and (ii) above shall be insufficient to pay all such amounts as aforesaid, then, ratably, without priority of one Lender over another; third, so much of such payments or amounts remaining as shall be required to pay in full the aggregate unpaid principal amount of the investments made by the Lenders under the Participation Agreement, plus the accrued but unpaid interest thereon to the date of distribution, shall be distributed to the Lenders ratably, without priority of one over the other, in the proportion that the aggregate unpaid principal amount of the investments made by each Lender, plus the accrued but unpaid interest thereon to the date of distribution, bears to the aggregate unpaid principal amount of the investments made by all Lenders, plus the accrued and unpaid interest thereon to the date of distribution; and, fourth, the balance, if any, of such payments or amounts remaining thereafter shall be distributed to the Owner.

(b) All payments received and amounts realized by the Indenture Trustee after an Indenture Default (or an event or condition which after lapse of time or both would become an Indenture Default) shall have occurred and be continuing but prior to the Indenture Trustee having declared the Lease to be in default pursuant to § 10 thereof or the Indenture Trustee or a Majority in Interest of Lenders having declared the unpaid principal amounts of the investments made by the Lenders pursuant to the Participation Agreement to be due and payable pursuant to Section 4.01(d) hereof, as well as all payments or amounts then held or thereafter received by the Indenture Trustee as part of the Trust Estate while such Indenture Default (or other event or condition) shall be continuing but prior to such declaration (but in any event excluding all payments received and amounts realized or held by the Indenture Trustee with respect to any unit of Equipment which has been settled for under the Manufacturing Agreement but which has not been financed in part by funds made available by the Lenders to the Indenture Trustee on a Lenders' Closing Date under the Participation Agreement), shall be distributed by the Indenture Trustee in the following order of priority: first, in the manner provided in clause "first" of Section 3.03(a) hereof and, second, in the manner provided in clause "first" of Section 3.01 hereof and the remainder shall be held by the Indenture Trustee as security for the obligations of the Lessee under the Lease; provided that in the event of a declaration of default under § 10 of the Lease within 90 days after receipt by the Indenture Trustee of notice of the occurrence of an Indenture Default,

such remainder shall be distributed in the order of priority set forth in Section 3.03(a) hereof, and in the absence of such declaration within such 90-day period, such remainder shall be distributed in the following order of priority: first, in the manner provided in clause "first" of Section 3.01 hereof, second, in the manner provided in clause "second" of Section 3.03(a) hereof, and third, in the manner provided in clause "second" of Section 3.01 hereof.

(c) All payments received and amounts realized by the Indenture Trustee during the quarterly rental period under the Lease immediately following the rental period under the Lease with respect to which the Owner shall have exercised its rights set forth in the final paragraph of § 10 of the Lease (but in any event excluding all payments received and amounts realized or held by the Indenture Trustee with respect to any units of Equipment which have been settled for under the Manufacturing Agreement but which have not been financed in part by funds made available by the Lenders to the Indenture Trustee on the Lenders' Closing Date under the Participation Agreement), shall be held by the Indenture Trustee as security for the obligations of the Lessee under the Lease; provided, that in the event that on the next succeeding rental payment date under the Lease no Indenture Default (or an event or condition which after notice or lapse of time or both would become an Indenture Default) shall have occurred and be continuing, such amounts shall be distributed by the Indenture Trustee to the persons who would otherwise have been entitled thereto but for the provisions of this Section 3.03(c), and otherwise such amounts shall be distributed or held in accordance with Section 3.03(a) or 3.03(b), as appropriate.

SECTION 3.04. Except as otherwise provided in Section 3.03 hereof, all amounts received by the Indenture Trustee from or on behalf of the Lessee pursuant to § 17(b) of the Lease shall promptly upon receipt be paid to the person entitled to such amounts under the Indemnity Agreements referred to in the Lease and the Participation Agreement.

SECTION 3.05. Except as otherwise provided in Sections 3.01, 3.02, 3.03 and 3.04 hereof, any payments received by the Indenture Trustee for which provision as to the application thereof is made in the Lease, the Manufacturing Agreement or the Participation Agreement shall be applied forthwith to the purpose for which such payment was made in accordance with the terms of the Lease, the Manufacturing Agree-

ment or the Participation Agreement, as the case may be.

SECTION 3.06. Except as otherwise provided in Sections 3.01, 3.02, 3.03, 3.04 and 3.05 hereof:

(a) any payments (other than payments under Section 5.03 hereof and Paragraph 13 of the Participation Agreement) received by the Indenture Trustee for which no provision as to the application thereof is made in the Lease, the Manufacturing Agreement, the Participation Agreement or elsewhere in this Article III, and

(b) all payments received and amounts realized by the Indenture Trustee under the Lease or otherwise with respect to the Equipment (including, without limitation, all amounts realized upon the sale or re-lease of such Equipment after the termination of the Lease with respect thereto) to the extent received or realized at any time after payment in full of the principal of and interest on the investments made by the Lenders under the Participation Agreement, as well as any other amounts remaining as part of the Trust Estate after payment in full of such principal and interest,

shall be forthwith distributed by the Indenture Trustee in the following order of priority: first, in the manner provided in clause "first" of Section 3.03(a) hereof; second, in the manner provided in clause "second" of Section 3.03(a) hereof; and, third, in the manner provided in clause "fourth" of Section 3.03(a) hereof.

SECTION 3.07. All amounts from time to time distributable under this Trust Indenture by the Indenture Trustee to the Owner shall be paid by the Indenture Trustee to the Owner Trustee for distribution to the Owner in accordance with the provisions of this Trust Indenture; provided, however, that the Indenture Trustee may, upon the written instructions of the Owner Trustee, make payment directly to the Owner of amounts distributable to it as aforesaid.

ARTICLE IV

Remedies of the Indenture Trustee

SECTION 4.01. Occurrence of Indenture Default; Acceleration. (a) Indenture Defaults. Any one of the following events or conditions shall constitute an Indenture

Default:

(i) a Lease Default; or

(ii) any payment of principal or interest due hereunder to any Lender shall not be paid within 7 days after the same shall become due and payable (unless such failure shall result solely from the Indenture Trustee's failure to make such payments while holding funds sufficient therefor); or

(iii) the Owner or the Owner Trustee shall fail to perform or observe any covenant, condition or agreement made to, with or for the benefit of the Lenders or the Indenture Trustee to be performed or observed by either the Owner or the Owner Trustee hereunder or under the Lease, the Manufacturing Agreement, the Participation Agreement or the Trust Agreement and such failure shall continue unremedied for a period of 30 days after notice of such failure has been given to the Owner Trustee and the Owner by the Indenture Trustee or any Lender; or

(iv) any representation or warranty made by the Owner or the Owner Trustee to or for the benefit of the Lenders or the Indenture Trustee hereunder or under the Lease, Manufacturing Agreement, the Participation Agreement or the Trust Agreement, or by any officer or representative of the Owner or the Owner Trustee in any document or certificate furnished to the Indenture Trustee or any Lender in connection herewith or therewith or pursuant hereto or thereto, shall prove at any time to be incorrect in any material respect as of the date made, and such condition shall continue unremedied for a period of 30 days after notice thereof as provided in subparagraph (iii); or

(v) if the Owner shall file a petition in bankruptcy or for reorganization or for an arrangement, composition, readjustment, liquidation, dissolution or similar relief, or shall be adjudicated a bankrupt or become insolvent or shall make an assignment for the benefit of its creditors or shall admit in writing its inability to pay its debts generally as they become due or shall suspend payment of its obligations or shall seek or consent to the appointment of a receiver or liquidator (or other similar official) of it or any material part of its business or assets or shall take any corporate action

in furtherance of any of the foregoing; or

(vi) if a petition or answer shall be filed proposing the adjudication of the Owner as a bankrupt or its reorganization, composition, readjustment, liquidation, dissolution or similar relief and (i) the Owner shall consent to or fail to contest the filing thereof or the material allegations therein or (ii) such petition or answer shall not be discharged or denied within 60 days after the filing thereof; or

(vii) if a receiver or liquidator (or other similar official) shall be appointed for or take possession or charge of the Trust Estate or the Owner and shall not be discharged within 60 days thereafter, or if the Owner shall consent to or acquiesce in such appointment.

(b) Lease Default. After a Lease Default shall have occurred and be continuing and after the Lease shall have been declared in default pursuant to § 10 thereof, then, and in every such case, the Indenture Trustee, as assignee hereunder of the Lease or as mortgagee hereunder of the Equipment or otherwise, may, and when required pursuant to the provisions of Article V hereof shall, exercise any or all of the rights and powers and pursue any and all of the remedies pursuant to § 10 of the Lease and this Article IV and may take possession of all or any part of the properties (hereinafter referred to as the "Mortgaged Property") covered or intended to be covered by the granting clause hereof and may exclude the Owner, the Owner Trustee and the Lessee and all persons claiming under either of them wholly or partly therefrom. In the event the Indenture Trustee shall at any time declare the Lease to be in default pursuant to § 10 thereof, the unpaid principal amount due to all Lenders hereunder with accrued interest thereon shall immediately become due and payable without further act or notice of any kind.

(c) Right to Cure Lease Default. In the case of a Lease Default consisting of the Lessee's failure to pay an instalment of rent or other obligations when due under the Lease, the Indenture Trustee shall give the Owner Trustee and the Owner notice by telegraph or telex of such failure and shall not exercise any of the rights and powers or pursue any of the remedies pursuant to § 10 of the Lease and this Article IV if (i) such failure shall not constitute the second failure by the Lessee to pay an instalment of rent when due during any four consecutive quarterly rental periods, (ii)

such failure shall not exceed the third failure by the Lessee to pay an instalment of rent when due and (iii) the Indenture Trustee shall have received from the Owner within ten Business Days following the date of such notice the full amount of such instalment of rent or other obligations then due, together with any interest due thereon. Upon any payment of rent or other obligations by the Owner, in accordance with this Section 4.01(c), the Owner shall be subrogated to the rights of the Lenders hereunder to receive such payment of rent (and the payment of interest on account of its being overdue) and shall be entitled, subject to Sections 3.01 and 3.03 hereof, to receive such payment upon its receipt by the Indenture Trustee; provided that the Owner may not exercise any rights and powers or pursue any remedies pursuant to § 10 of the Lease or otherwise which the Indenture Trustee would have been entitled to exercise or pursue but for the preceding sentence.

(d) Indenture Default Not a Lease Default. If an Indenture Default other than a Lease Default shall have occurred and be continuing, the Indenture Trustee or a Majority in Interest of Lenders may declare the unpaid principal amounts of the investments made by the Lenders pursuant to the Participation Agreement to be due and payable immediately by giving written notice to the Owner Trustee and (if such notice be given by a Majority in Interest of Lenders) to the Indenture Trustee and upon any such declaration of acceleration such principal and accrued interest thereon shall become due and payable immediately without further act or notice of any kind. Upon such declaration, the Indenture Trustee, as assignee hereunder of the Lease or as mortgagee hereunder of the Equipment or otherwise, may, and when required pursuant to Article V hereof shall, exercise any or all of the rights and powers and pursue any and all of the remedies permitted by this Article IV, and may take possession of all or any part of the Mortgaged Property and may exclude the Owner Trustee and all persons claiming under or through the Owner Trustee wholly or partly therefrom.

SECTION 4.02. Taking Possession of Mortgaged Property; Rights of Indenture Trustee. The Owner Trustee agrees, to the full extent that it lawfully may, that, in case one or more Indenture Defaults shall have occurred and be continuing and after the Lease shall have been declared in default pursuant to § 10 thereof, or after the maturity of the unpaid principal amount of the investments made by the Lenders pursuant to the Participation Agreement shall have been accelerated pursuant to Section 4.01(d) then, and in every such

case, the Indenture Trustee may, subject to Section 4.01(c), exercise all of the rights, privileges and remedies given it hereunder, may take possession of all or any part of the Mortgaged Property and may exclude the Owner Trustee and all persons claiming under the Owner Trustee wholly or partly therefrom. At the request of the Indenture Trustee, the Owner Trustee shall promptly execute and deliver to the Indenture Trustee, without warranty or recourse, such instruments of title and other documents as the Indenture Trustee may deem necessary or advisable to enable the Indenture Trustee or an agent or representative designated by the Indenture Trustee, at such time or times and place or places as the Indenture Trustee may specify, to obtain possession of all or any part of the Mortgaged Property to the possession of which the Indenture Trustee shall at the time be entitled hereunder. If the Owner Trustee shall for any reason fail to execute and deliver such instruments and documents after such demand by the Indenture Trustee, the Indenture Trustee may (a) obtain a judgment conferring on the Indenture Trustee the right to immediate possession and requiring the Owner Trustee to deliver such instruments and documents to the Indenture Trustee, to the entry of which judgment the Owner Trustee hereby specifically consents, and (b) pursue all or part of such Mortgaged Property wherever it may be found and may enter any of the premises of the Owner Trustee or the Lessee wherever such Mortgaged Property may be or be supposed to be and search for such Mortgaged Property and take possession of and remove such Mortgaged Property. Upon every such taking of possession the Indenture Trustee may, from time to time, at the expense of the Mortgaged Property, make all expenditures for maintenance, insurance, repairs, replacements, alterations, additions and improvements to and of the Mortgaged Property, as it may deem proper. In each such case, the Indenture Trustee shall have the right to use, operate, store, control or manage the Mortgaged Property and to carry on the business and to exercise all rights and powers of the Owner Trustee relating to the Mortgaged Property, as the Indenture Trustee shall deem best, including the right to enter into any and all such agreements with respect to the maintenance, operation, leasing, storage or disposition of the Mortgaged Property or any part thereof as the Indenture Trustee may determine; and the Indenture Trustee shall be entitled to collect and receive all tolls, rents, revenues, issues, income, products and profits of the Mortgaged Property and every part thereof, without prejudice, however, to the right of the Indenture Trustee under any provision of this Trust Indenture to collect and receive all cash held by, or required to be deposited with, the Indenture Trustee here-

under. Such tolls, rents, revenues, issues, income, products and profits shall be applied to pay the expenses of holding and operating the Mortgaged Property and of conducting the business thereof, and of all maintenance, repairs, replacements, alterations, additions and improvements, and to make all payments which the Indenture Trustee may be required or may elect to make, if any, for taxes, assessments, insurance or other proper charges upon the Mortgaged Property or any part thereof (including the employment of engineers and accountants to examine, inspect and make reports upon the properties and books and records of the Owner Trustee), and all other payments which the Indenture Trustee may be required or authorized to make under any provision of this Trust Indenture, as well as just and reasonable compensation for the services of the Indenture Trustee, and of all persons properly engaged and employed by the Indenture Trustee.

SECTION 4.03. Remedies Cumulative. Each and every right, power and remedy herein specifically given to the Indenture Trustee or otherwise in this Trust Indenture shall be cumulative and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy whether specifically herein given or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by the Indenture Trustee, and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy. No delay or omission by the Indenture Trustee in the exercise of any right, remedy or power or in the pursuance of any remedy shall impair any such right, power or remedy or be construed to be a waiver of any default on the part of the Owner, the Owner Trustee or the Lessee or to be an acquiescence therein.

SECTION 4.04. Discontinuance of Proceedings. In case the Indenture Trustee shall have proceeded to enforce any right, power or remedy under this Trust Indenture by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Indenture Trustee, then and in every such case the Owner Trustee, the Indenture Trustee and the Lessee shall be restored to their former positions and rights hereunder with respect to the Mortgaged Property, and all rights, remedies and powers of the Indenture Trustee shall continue as if no such proceedings had been taken.

ARTICLE V

Duties of the Owner Trustee and the Indenture Trustee

SECTION 5.01. In the event the Owner Trustee shall have knowledge of an Indenture Default (or an event or condition which after notice or lapse of time or both would become an Indenture Default), the Owner Trustee shall give prompt telephonic notice (confirmed in writing) thereof to the Indenture Trustee, each Lender and the Owner. In the event the Indenture Trustee shall have knowledge of an Indenture Default (or an event or condition which after notice or lapse of time or both would become an Indenture Default), the Indenture Trustee shall give prompt telephonic notice (confirmed in writing) therof to the Owner Trustee and each Lender. Subject to the terms of Section 5.03 hereof, the Indenture Trustee shall take such action (or refrain from taking action) with respect to such Indenture Default or such other event or condition as the Indenture Trustee shall be instructed in writing at any time by a Majority in Interest of Lenders. If the Indenture Trustee shall not have received instructions as above provided within 20 days after the giving of notice of such Indenture Default or such other event or condition to the Lenders, the Indenture Trustee may, subject to instructions received at any time from a Majority in Interest of Lenders, take such action, or refrain from taking such action, but shall be under no duty to take or refrain from taking any action, with respect to such Indenture Default or such other event or condition as it shall deem advisable in the best interests of the Lenders.

SECTION 5.02. Subject to the terms of Sections 5.01 and 5.03 hereof, upon the written instructions at any time and from time to time of a Majority in Interest of Lenders, the Indenture Trustee will take such of the following actions, subject to the terms hereof, as may be specified in such instructions: (i) give such notice or direction or exercise such right or power under the Lease or the Manufacturing Agreement as shall be specified in such instructions; (ii) take such action to preserve or protect the Mortgaged Property and the Trust Estate (including the discharge of liens and encumbrances) as shall be specified in such instructions; and (iii) approve as satisfactory to it all matters required by the terms of the Lease to be satisfactory to the Owner Trustee, it being understood that without the written instructions of a Majority in Interest of Lenders the

Indenture Trustee shall not approve any such matter as satisfactory to it.

SECTION 5.03. The Indenture Trustee shall be under no duty to take any action or refrain from taking any action under Section 5.01 or 5.02 or Article IV hereof unless the Indenture Trustee shall have been indemnified by the Lenders, in proportion to their respective interests in the Trust Estate at the time such action is taken, in manner and form satisfactory to the Indenture Trustee, against any liability, cost or expense (including counsel fees) which may be incurred in connection with such action or inaction. The Indenture Trustee shall not be required to take any action under Section 5.01 or 5.02 or Article IV hereof, nor shall any other provision of this Trust Indenture be deemed to impose a duty on the Indenture Trustee to take any action, if the Indenture Trustee shall determine, or shall have been advised by counsel, that such action is contrary to the terms of this Trust Indenture, the Lease or the Participation Agreement or is otherwise contrary to law.

SECTION 5.04. The Indenture Trustee shall not have any duty or obligation to manage, control, use, sell or otherwise transfer title to or dispose of or otherwise deal with any unit of Equipment or any other part of the Trust Estate, or otherwise to take or refrain from taking any action under, or in connection with, this Trust Indenture, the Lease or the Manufacturing Agreement, except as expressly provided by the terms of this Trust Indenture or the Participation Agreement or as expressly provided in written instructions from a Majority in Interest of Lenders received pursuant to the terms of Section 5.01 or 5.02 hereof; and no implied duties or obligations shall be read into this Trust Indenture against the Indenture Trustee. The Indenture Trustee nevertheless agrees that it will, at its own cost and expense, promptly take such action as may be necessary to duly discharge any liens or encumbrances on any part of the Trust Estate which result from claims against the Indenture Trustee not related to the ownership of the Equipment or the administration of the Trust Estate.

SECTION 5.05. The Indenture Trustee shall not manage, control, use, sell or otherwise transfer title to, or dispose of or otherwise deal with any unit of Equipment or any other part of the Trust Estate, except (i) as required by the terms of the Participation Agreement, the Manufacturing

Agreement or the Lease, (ii) in accordance with the powers expressly granted to, or the authority expressly conferred upon, the Indenture Trustee pursuant to this Trust Indenture or (iii) in accordance with written instructions from a Majority in Interest of Lenders pursuant to Sections 5.01 or 5.02 hereof.

ARTICLE VI

The Indenture Trustee and the Owner Trustee

SECTION 6.01. The Indenture Trustee accepts the trusts hereby created and agrees to perform the same but only upon the terms of this Trust Indenture, and agrees to receive and disburse all moneys constituting part of the Trust Estate in accordance with the provisions hereof. The Indenture Trustee shall not be answerable or accountable under any circumstances, except (i) for its own wilful misconduct or negligence, or (ii) in the case of the inaccuracy of any representation or warranty contained in Section 6.03 hereof. The Owner Trustee shall not be liable for any action or inaction of the Indenture Trustee and the Indenture Trustee shall not be liable for any action or inaction of the Owner Trustee.

SECTION 6.02. Except in accordance with written instructions furnished pursuant to Section 5.02 hereof and without limiting the generality of Sections 5.04 and 5.05 hereof, the Indenture Trustee shall have no duty (i) to see to any recording, filing or depositing of the Participation Agreement, the Manufacturing Agreement or the Lease or of this Trust Indenture, or to see to the maintenance of any such recording, filing or depositing or to any rerecording, refiling or redepositing of any thereof, (ii) to see to any insurance on the Equipment or to effect or maintain any such insurance, (iii) to review the financial condition or operations of Lessee, or make any determination with respect to an adverse change therein, (iv) except as otherwise provided in Section 5.04 hereof, to see to the payment or discharge of any tax, assessment or other governmental charge or any lien or encumbrance of any kind owing with respect to, or assessed or levied against, any part of the Trust Estate, (v) to confirm or verify any financial statements or reports of the Lessee or (vi) to inspect the Equipment at any time or ascertain or inquire as to

the performance or observance of any of the Lessee's covenants under the Lease with respect to the Equipment. Notwithstanding the foregoing, the Indenture Trustee will furnish to any Lender who shall have requested the same, promptly upon receipt thereof, duplicates or copies of all reports, notices, requests, demands, certificates, financial statements and other instruments furnished to the Indenture Trustee hereunder or under the Participation Agreement, the Lease or the Manufacturing Agreement, to the extent the same shall not have been furnished to each such Lender.

SECTION 6.03. The Indenture Trustee and the Owner Trustee do not make and shall not be deemed to have made (i) any representation or warranty, express or implied, as to the value, condition or fitness for use of any of the Equipment or as to title thereto or any other representation or warranty whatsoever, express or implied, with respect to the Equipment, except that the Owner Trustee hereby warrants to each Lender that (a) on the delivery date for each unit of Equipment such unit of Equipment shall be free of liens and encumbrances resulting from claims against the Owner Trustee not related to the ownership of the Equipment or the administration of the Estate or any other transaction pursuant to the Trust Agreement, and (b) each unit of Equipment shall, while a part of the Trust Estate and at the time of any conveyance therefrom, be free of liens and encumbrances resulting from any acts of the Owner Trustee except liens and encumbrances permitted by the Lease or this Indenture or created by this Indenture, the Trust Agreement or the Manufacturing Agreement or liens and encumbrances arising from the administration of the Estate, or (ii) any representation or warranty as to the validity, legality or enforceability of this Indenture, the Trust Agreement, the Participation Agreement, the Lease, the Manufacturing Agreement or the assignments of the Bills of Sale or as to the correctness of any statement contained in any thereof except to the extent that any such statement is expressly made by the Indenture Trustee or the Owner Trustee in this Section 6.03, except that the Indenture Trustee or the Owner Trustee each hereby represents and warrants to each Lender that this Indenture has been, and, in the case of the Indenture Trustee, the Participation Agreement (and the Certificates of Interest delivered to the Lenders thereunder), and, in the case of the Owner Trustee, the Participation Agreement, the Lease, the Manufacturing Agreement and the assignments of the Bills of Sale, have been (or at the time of execution and delivery of any such instrument that such instrument will be) duly executed and

delivered by one of its officers who is or will be, as the case may be, duly authorized to execute and deliver such instruments on its behalf.

SECTION 6.04. Moneys received by the Indenture Trustee hereunder need not be segregated in any manner except to the extent required by law and may be deposited under such general conditions as may be prescribed by law in the general banking department of the Indenture Trustee, and the Indenture Trustee shall not be liable for any interest thereon.

SECTION 6.05. The Indenture Trustee shall incur no liability to anyone in acting upon any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond or other document or paper believed by it to be genuine and believed by it to be signed by the proper party or parties. The Indenture Trustee and the Owner Trustee may accept a copy of a resolution of the Board of Directors of any corporate party, certified by the Secretary or an Assistant Secretary thereof as duly adopted and in full force and effect (or in lieu thereof a resolution of the executive committee of such corporate party), as conclusive evidence that such resolution has been duly adopted by said Board and that the same is in full force and effect. As to any fact or matter, the manner of ascertainment of which is not specifically described herein, the Inndenture Trustee and the Owner Trustee may for all purposes hereof rely on a certificate, signed by or on behalf of the proper party executing the same, as to such fact or matter, and such certificate shall constitute full protection to the Indenture Trustee and the Owner Trustee for any action taken or omitted to be taken by either of them in good faith in reliance thereon. In the administration of the trusts hereunder, the Indenture Trustee may execute any of the trusts or powers hereof and perform its powers and duties hereunder directly or through agents or attorneys and may, at the expense of the Trust Estate, seek advice of counsel, accountants and other skilled persons to be selected and employed by it, and the Indenture Trustee shall not be liable for anything done, suffered or omitted in good faith by it in accordance with the advice or opinion of any such counsel, accountants or other skilled persons.

SECTION 6.06. The Owner Trustee and the Indenture Trustee act solely as trustee as herein and in the case of the Owner Trustee in the Trust Agreement provided and not in

its individual capacity; and all persons, other than the Lenders, having any claim against the Owner Trustee or the Indenture Trustee by reason of the transactions contemplated hereby shall look, subject to the interests created hereby and the priorities of payment provided herein, only to the Trust Estate for payment or satisfaction thereof.

SECTION 6.07. The Indenture Trustee, or any successor thereto, from time to time serving hereunder, shall have the absolute right, acting independently, to take any action and to exercise any right, remedy, power or privilege conferred upon the Indenture Trustee hereunder; and any action taken by the Indenture Trustee from time to time serving hereunder shall be binding upon the Indenture Trustee and no person dealing with the Indenture Trustee from time to time serving hereunder shall be obligated to confirm the power and authority of the Indenture Trustee to act.

SECTION 6.08. The Indenture Trustee and the Owner Trustee agree that they shall have no right against the Lenders or, except as provided in Section 3.03 and 4.02 hereof, the Trust Estate for any fee as compensation for their services hereunder.

ARTICLE VII

Successor Indenture Trustees

SECTION 7.01. (a) The Indenture Trustee or any successor Indenture Trustee may resign at any time without cause by giving at least 30 days' prior written notice to the Owner Trustee and each Lender, such resignation to be effective on the acceptance of appointment by the successor Indenture Trustee under Section 7.01(b) hereof. In addition, the Indenture Trustee may be removed at any time without cause by a Majority in Interest of Lenders by an instrument in writing delivered to the Owner Trustee and the Indenture Trustee and each Lender not signing such instrument, such removal to be effective on the acceptance of appointment by the successor Indenture Trustee under Section 7.01(b) hereof. In case of the resignation or removal of the Indenture Trustee, a Majority in Interest of Lenders may appoint a successor Indenture Trustee by a written instrument signed by a Majority in Interest of Lenders. If a successor Indenture Trustee shall not have been appointed within 30 days after the giving of the written notice of

such resignation or the delivery of the written instrument with respect to such removal, any Lender or the Indenture Trustee may apply to any court of competent jurisdiction to appoint a successor Indenture Trustee to act until such time, if any, as a successor shall have been appointed as above provided. Any successor Indenture Trustee so appointed by such court shall immediately and without further act be superseded by any successor Indenture Trustee appointed as above provided within one year from the date of the appointment by such court.

(b) Any successor Indenture Trustee, whether appointed by a court or by a Majority in Interest of Lenders, shall execute and deliver to the Owner Trustee, each Lender and the predecessor Indenture Trustee an instrument accepting such appointment, and thereupon such successor Indenture Trustee, without further act, shall become vested with all the estates, properties, rights, powers, duties and trusts of the predecessor Indenture Trustee in the trusts hereunder with like effect as if originally named as a Trustee herein; but nevertheless upon the written request of such successor Indenture Trustee, such predecessor Indenture Trustee shall execute and deliver an instrument transferring to such successor Indenture Trustee, upon the trusts herein expressed, all the estates, properties, rights, powers and trusts of such predecessor Indenture Trustee, and such predecessor Indenture Trustee shall duly assign, transfer, deliver and pay over to such successor Indenture Trustee any property or moneys then held by such predecessor Indenture Trustee upon the trusts herein expressed.

(c) Any successor Indenture Trustee, however appointed, shall be a trust company incorporated and doing business within the United States of America, and having a combined capital and surplus of at least $100,000,000 if there be such an institution willing, able and legally qualified to perform the duties of Indenture Trustee hereunder upon reasonable or customary terms.

(d) Any corporation into which the Indenture Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Indenture Trustee shall be a party, or any corporation to which substantially all the corporate trust business of the Indenture Trustee may be transferred, shall, subject to the terms of Section 7.01(c) hereof, be the Indenture Trustee under

this Agreement without further act.

SECTION 7.02. (a) Whenever the Indenture Trustee shall deem it necessary or prudent in order either to conform to any law of any jurisdiction in which all or any part of the Trust Estate shall be situated or to make any claim or bring any suit with respect to the Trust Estate, or the Indenture Trustee shall be advised by counsel satisfactory to it that it is so necessary or prudent in the interest of the Lenders or in the event that the Indenture Trustee shall have been requested to do so by a Majority in Interest of Lenders, the Indenture Trustee and the Owner Trustee shall execute and deliver an agreement supplemental hereto and all other instruments and agreements necessary or proper to constitute another bank or trust company, or one or more persons approved by the Indenture Trustee, either to act as additional trustee or trustees of all or any part of the Trust Estate, jointly with the Indenture Trustee, or to act as separate trustee or trustees of all or any part of the Trust Estate, in any such case with such powers as may be provided in such agreement supplemental hereto, and to vest in such bank, trust company or person as such additional trustee or separate trustee, as the case may be, any property, title, right or power of the Indenture Trustee deemed necessary or advisable by the Indenture Trustee, subject to the remaining provisions of this Section 7.02. In the event the Owner Trustee shall not have joined in the execution of such agreement supplemental hereto within 10 days after the receipt of a written request from the Indenture Trustee so to do, or in case an Indenture Default (or any event or condition which after notice or lapse of time or both would become an Indenture Default) shall occur and be continuing, the Indenture Trustee may act under the foregoing provisions of this Section 7.02(a) without the concurrence of the Owner Trustee; and the Owner Trustee hereby appoints the Indenture Trustee its agent and attorney to act for it under the foregoing provisions of this Section 7.02(a) in either of such contingencies. The Indenture Trustee may execute, deliver and perform any deed, conveyance, assignment or other instrument in writing as may be required by any additional trustee or separate trustee for more fully and certainly vesting in and confirming to it or him any property, title, right or power which, by the terms of such agreement supplemental hereto, are expressed to be conveyed or conferred to or upon such additional trustee or separate trustee, and the Owner Trustee shall, upon the Indenture Trustee's request, join therein and execute, acknowledge and deliver the same;

and the Owner Trustee hereby makes, constitutes and appoints the Indenture Trustee its agent and attorney-in-fact for it and in its name, place and stead to execute, acknowledge and deliver any such deed, conveyance, assignment or other instrument in the event that the Owner Trustee shall not itself execute and deliver the same within 10 days after receipt by it of such request so to do.

(b) Every additional trustee and separate trustee hereunder shall, to the extent permitted by law, be appointed and act and the Indenture Trustee shall act, subject to the following provisions and conditions:

(i) all powers, duties, obligations and rights conferred upon the Indenture Trustee in respect of the receipt, custody, investment and payment of moneys shall be exercised solely by the Indenture Trustee;

(ii) all other rights, powers, duties and obligations conferred or imposed upon the Indenture Trustee shall be conferred or imposed upon and exercised or performed by the Indenture Trustee and such additional trustee or trustees and separate trustee or trustees jointly, except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed the Indenture Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations (including the holding of title to the Trust Estate in any such jurisdiction) shall be exercised and performed by such additional trustee or trustees or separate trustee or trustees;

(iii) no power hereby given to, or with respect to which it is hereby provided may be exercised by, any such additional trustee or separate trustee shall be exercised hereunder by such additional trustee or separate trustee except jointly with, or with the consent of, the Indenture Trustee; and

(iv) no trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder.

If at any time the Indenture Trustee shall deem it no longer necessary or prudent in order to conform to any such law or take any such action or shall be advised by such counsel that it is no longer so necessary or prudent in the interest

of the Lenders or in the event that the Indenture Trustee shall have been requested to do so in writing by a Majority in Interest of Lenders, the Indenture Trustee and the Owner Trustee shall execute and deliver an agreement supplemental hereto and all other instruments and agreements necessary or proper to remove any additional trustee or separate trustee. In the event that the Owner Trustee shall not have joined in the execution of such agreement supplemental hereto, instruments and agreements, the Indenture Trustee may act on behalf of the Owner Trustee to the same extent provided above.

(c) Any additional trustee or separate trustee may at any time by an instrument in writing constitute the Indenture Trustee its agent or attorney-in-fact, with full power and authority, to the extent which may be authorized by law, to do all acts and things and exercise all discretions which it is authorized or permitted to do or exercise, for and in its behalf and in its name. In case any such additional trustee or separate trustee shall die, become incapable of acting, resign or be removed, all the assets, property, rights, powers, trusts, duties and obligations of such additional trustee or separate trustee, as the case may be, so far as permitted by law, shall vest in and be exercised by the Indenture Trustee, without the appointment of a new successor to such additional trustee or separate trustee unless and until a successor is appointed in the manner hereinbefore provided.

(d) Any request, approval or consent in writing by the Indenture Trustee to any additional trustee or separate trustee shall be sufficient warrant to such additional trustee or separate trustee, as the case may be, to take such action as may be so requested, approved or consented to.

(e) Each additional trustee and separate trustee appointed pursuant to this Section shall be subject to, and shall have the benefit of, the first two sentences of Section 7.01(a) hereof and Articles IV, V, VI and VIII hereof in so far as they apply to the Indenture Trustee.

ARTICLE VIII

Supplements and Amendments to this Trust Indenture and Other Documents

SECTION 8.01. At any time and from time to time,

upon the written request of a Majority in Interest of Investors, (i) the Owner Trustee and the Indenture Trustee shall execute a supplement hereto for the purpose of adding provisions to, or changing or eliminating provisions of, this Trust Indenture as specified in such request and (ii) the Owner Trustee shall enter into such written amendment of or supplement to the Lease or the Manufacturing Agreement as the Lessee may agree to and as may be specified in such request, or execute and deliver such written waiver or modification of the terms of the Lease or the Manufacturing Agreement as may be specified in such request; provided, however, that, without the consent of the Owner and each Lender (until all the unpaid principal amount of and accrued interest on the investment made by such Lender under the Participation Agreement shall have been paid in full), no such supplement to this Trust Indenture or amendment of or supplement to the Lease or the Manufacturing Agreement, or waiver or modification of the terms of any thereof, shall (i) modify any of the provisions of this Section or of Sections 5.01, 5.02 or 5.03 hereof or change the definition of Majority in Interest of Investors contained in Section 1.01 hereof, (ii) reduce the amount or extend the time of payment of any amount owing hereunder with respect to principal or interest to any Lender or reduce the rate of interest payable on such principal or alter or modify the provisions of Article III hereof with respect to the order of priorities in which distributions thereunder shall be made as between the Lenders and the Owner, (iii) reduce, modify or amend any indemnities in favor of any Lender or the Indenture Trustee, (iv) modify, amend or supplement the Lease or consent to any assignment of the Lease, in either case releasing the Lessee from its obligations in respect of the payment of rent or Casualty Value under the Lease or changing the absolute and unconditional character of such obligations as set forth in § 1 of the Lease or (v) modify, amend or supplement the final paragraph of § 10 of the Lease; provided, further, that, without the consent of the Owner, no such supplement to this Trust Indenture shall increase the liabilities or obligations of or diminish the powers, rights or immunities of the Owner; and provided, further, that, without the consent of each Lender, no such supplement to this Trust Indenture or waiver or modification of the terms hereof shall deprive any Lender of the benefit of the lien of this Trust Indenture on the Trust Estate. Notwithstanding anything contained in this Section 8.01 to the contrary, in the event that any unit of Equipment has been settled for under the Manufacturing Agreement but is not financed in part by funds made available by the Lenders to the Indenture Trustee on a Lenders' Closing Date under the Participation

Agreement, the Owner Trustee and the Indenture Trustee shall execute a supplement hereto, without the necessity for consent thereto by the Owner or any Lender, excluding such Equipment from the Trust Estate.

SECTION 8.02. If in the opinion of the Indenture Trustee or the Owner Trustee any document required to be executed pursuant to the terms of Section 7.02 or 8.01 hereof affects any rights, duties, immunities or indemnities in favor of the Indenture Trustee or the Owner Trustee under this Trust Indenture, the Manufacturing Agreement or the Lease, the Indenture Trustee or the Owner Trustee may in its discretion decline to execute such document.

SECTION 8.03. It shall not be necessary for any written request furnished pursuant to Section 8.01 hereof to specify the particular form of the proposed documents to be executed pursuant to said Section, but it shall be sufficient if such request shall indicate the substance thereof.

SECTION 8.04. Promptly after the execution by the Owner Trustee and the Indenture Trustee of any document entered into pursuant to Section 8.01 hereof, the Owner Trustee shall mail, by first class mail, postage prepaid, a conformed copy thereof to each Lender at its address last known to the Owner Trustee, but failure of the Owner Trustee to mail such conformed copies shall not impair or affect the validity of such document.

SECTION 8.05. The Owner Trustee shall not amend or supplement the Trust Agreement except to the extent permitted by, and in accordance with, the terms thereof, and unless a signed copy of such amendment or supplement has been delivered to the Indenture Trustee; provided, however, that Section 11.12 of the Trust Agreement, as originally executed, shall not be changed prior to the termination of this Trust Indenture pursuant to Section 9.01 hereof.

ARTICLE IX

Miscellaneous

SECTION 9.01. This Trust Indenture and the trusts created hereby shall terminate and this Trust Indenture shall be of no further force or effect upon the earlier of (i) the sale, transfer or other final disposition by the Indenture Trustee of all property at any time part of the Trust Estate and the final distribution by the Indenture Trustee of all moneys or other property or proceeds constituting part of the Trust Estate in accordance with the terms of Article

III hereof, provided that at such time the Lessee shall have fully complied with all the terms of the Lease, the Manufacturing Agreement and the Participation Agreement, and (ii) twenty-one years less one day after the death of the survivor of the issue, living on the date of the earliest acknowledgment of the execution of this Trust Indenture, of the present members of the Boards of Directors of the Owner Trustee or the Indenture Trustee, otherwise this Trust Indenture and the trusts created hereby shall continue in full force and effect in accordance with the terms hereof. Upon payment in full of all amounts due to the Lenders hereunder and all amounts secured by the Trust Estate, the Indenture Trustee shall pay all moneys or other properties or proceeds constituting part of the Trust Estate to the Owner Trustee, and this Trust Indenture and the trusts created hereby shall terminate and shall be of no further force or effect.

SECTION 9.02. No Lender shall have legal title to any part of the Trust Estate. No transfer, by operation of law or otherwise, of the interests of the Lenders or other right, title and interest of any Lender in and to the Trust Estate or hereunder shall operate to terminate this Trust Indenture or the trusts hereunder or entitle any successor or transferee to an accounting or to the transfer to it of legal title to any part of the Trust Estate.

SECTION 9.03. Any assignment, sale, transfer or other conveyance by the Indenture Trustee of the interest of the Indenture Trustee in the Manufacturing Agreement or the Lease or any unit of Equipment made pursuant to the terms of this Trust Indenture, the Manufacturing Agreement or the Lease shall bind the Lenders and shall be effective to transfer or convey all right, title and interest of the Indenture Trustee, the Owner Trustee, the Owner and such Lenders in and to such agreements or such Equipment. No purchaser or other grantee shall be required to inquire as to the authorization, necessity, expediency or regularity of such sale or conveyance or as to the application of any sale or other proceeds with respect thereto by the Indenture Trustee.

SECTION 9.04. Nothing in this Trust Indenture, whether express or implied, shall be construed to give to any person other than the Indenture Trustee, the Owner Trustee, the Owner and the Lenders any legal or equitable right, remedy or claim under or in respect of this Trust Indenture or the Trust Estate; but this Trust Indenture and the Trust Estate shall be held for the sole and exclusive benefit of the Indenture Trustee, the Owner Trustee and the Lenders.

SECTION 9.05. Unless otherwise expressly specified or permitted by the terms hereof, all notices shall be in writing, mailed by regular mail, postage prepaid, (i) if to the Indenture Trustee, addressed to it at the Trust Office, (ii) if to the Owner Trustee, addressed to it at 111 West Monroe Street, Chicago, Illinois 6090, Attention: Corporate Trust Division, (iii) if to the Owner or a Lender party to the Participation Agreement, addressed to such party at such address as such party shall have furnished by notice to the Indenture Trustee and the Owner Trustee, or, until an address is so furnished, addressed to such party at its address set forth in Paragraph 11 of the Participation Agreement or in Schedule A thereto and (iii) if to any successor or assign of any Lender, to such address as may be furnished to the Indenture Trustee and the Owner Trustee in writing for such purpose. Whenever any notice in writing is required to be given by the Indenture Trustee, the Owner Trustee or any Lender to any of the other of them, such notice shall be deemed given and such requirement satisfied if such notice is mailed by regular mail, postage prepaid, addressed as provided above.

SECTION 9.06. Any provision of this Trust Indenture which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. In the event of any inconsistency or conflict between any provision of this Trust Indenture and any provision of the Trust Agreement, such provision in this Trust Indenture shall govern and control.

SECTION 9.07. Subject to Section 8.01 hereof, no term or provision of this Trust Indenture may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party or other person against whom enforcement of the change, waiver, discharge or termination is sought; and any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given.

SECTION 9.08. This Trust Indenture may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 9.09. All covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the parties hereto and the Lenders and their respective successors and assigns. Any request, notice, direction, consent, waiver or other instrument or action by any Lender shall bind the successors and assigns thereof.

SECTION 9.10. The headings of the various articles herein are for convenience of reference only and shall not modify, define, expand or limit any of the terms or provisions hereof.

SECTION 9.11. This Trust Indenture shall in all respects be governed by, and construed in accordance with, the laws of the State of Illinois, including all matters of construction, validity and performance.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this Trust Indenture to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunder affixed and duly attested, all as of the day and year first above written.

HARRIS TRUST AND SAVINGS BANK,
as Owner Trustee,

[Seal]

by

_____
Vice President

Attest:

_____
Assistant Secretary

CONTINENTAL ILLINOIS NATIONAL
BANK AND TRUST COMPANY OF CHICAGO,
as Indenture Trustee,

[Seal]

by

_____
Second Vice President

Attest:

_____
Trust Officer

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK ,)

On this day of 1975, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of HARRIS TRUST AND SAVINGS BANK, 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.

_____
Notary Public

[Notarial Seal]

My Commission expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of 1975, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Second Vice President of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, that one of the seals affixed to the foregoing instrument is the corporate seal of said bank and trust company, that said instrument was signed and sealed on behalf of said bank and trust company 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 bank and trust company.

_____
Notary Public

[Notarial Seal]

My Commission expires

SCHEDULE I TO TRUST INDENTURE

Allocation Schedule
on Each $1,000,000
of Equipment Obligations

Payment Number	Total Debt Service Payment	Interest Payment	Allocated to Principal	Principal Balance
0	--	--	--	$1,000,000.00
1	$ 34,074.02	$ 26,250.00	$ 7,824.02	992,175.98
2	34,074.02	26,044.62	8,029.40	984,146.58
3	34,074.02	25,833.85	8,240.17	975,906.41
4	34,074.02	25,617.54	8,456.48	967,449.93
5	34,074.02	25,395.56	8,678.46	958,771.47
6	34,074.02	25,167.75	8,906.27	949,865.20
7	34,074.02	24,933.96	9,140.06	940,725.14
8	34,074.02	24,694.03	9,379.99	931,345.15
9	34,074.02	24,447.81	9,626.21	921,718.94
10	34,074.02	24,195.12	9,878.90	911,840.04
11	34,074.02	23,935.80	10,138.22	901,701.82
12	34,074.02	23,669.67	10,404.35	891,297.47
13	34,074.02	23,396.56	10,677.46	880,620.01
14	34,074.02	23,116.28	10,957.74	869,662.27
15	34,074.02	22,828.63	11,245.39	858,416.88
16	34,074.02	22,533.44	11,540.58	846,876.30
17	34,074.02	22,230.50	11,843.52	835,032.78
18	34,074.02	21,919.61	12,154.41	822,878.37
19	34,074.02	21,600.56	12,473.46	810,404.91
20	34,074.02	21,273.13	12,800.89	797,604.02
21	41,646.20	20,937.11	20,709.09	776,894.93
22	41,646.20	20,393.49	21,252.71	755,642.22
23	41,646.20	19,835.61	21,810.59	733,831.63
24	41,646.20	19,263.08	22,383.12	711,448.51
25	41,646.20	18,675.52	22,970.68	688,477.83
26	41,646.20	18,072.54	23,573.66	664,904.17
27	41,646.20	17,453.73	24,192.47	640,711.70
28	41,646.20	16,818.68	24,827.52	615,884.18
29	41,646.20	16,166.96	25,479.24	590,404.94
30	41,646.20	15,498.13	26,148.07	564,256.87

ANNEX A TO TRUST INDENTURE

Type	Quantity	Lessee's Car Numbers (Inclusive)
50-ton, 54'4" boxcars	588	ICG 526000-526224 ICG 526500-526595 ICG 527000-527049 ICG 527200-527362 ICG 576225-576274 ICG 576596-576599
70-ton, 54'4-1/2" to 57'11-1/2" boxcars	212	ICG 152000-152006 ICG 152100-152116 ICG 152200-152212 ICG 527050-527128 ICG 527700-527719 ICG 545800-545825 ICG 595826-595874 ICG 577129

Payment Number	Total Debt Service Payment	Interest Payment	Allocated to Principal	Principal Balance
31	$ 41,646.20	$ 14,811.74	$ 26,834.46	$ 537,422.41
32	33,911.21	14,107.34	19,803.87	517,618.54
33	33,911.21	13,587.49	20,323.72	497,294.82
34	33,911.21	13,053.99	20,857.22	476,437.60
35	33,911.21	12,506.49	21,404.72	455,032.88
36	30,543.08	11,944.61	18,598.47	436,434.41
37	30,543.08	11,456.40	19,086.68	417,347.73
38	30,543.08	10,955.38	19,587.70	397,760.03
39	30,543.08	10,441.20	20,101.88	377,658.15
40	27,249.00	9,913.53	17,335.47	360,322.68
41	27,249.00	9,458.47	17,790.53	342,532.15
42	27,249.00	8,991.47	18,257.53	324,274.62
43	27,249.00	8,512.21	18,736.79	305,537.83
44	24,032.46	8,020.37	16,012.09	289,525.74
45	24,032.46	7,600.05	16,432.41	273,093.33
46	24,032.46	7,168.70	16,863.76	256,229.57
47	24,032.46	6,726.03	17,306.43	238,923.14
48	21,974.19	6,271.73	15,702.46	223,220.68
49	21,974.19	5,859.54	16,114.65	207,106.03
50	21,974.19	5,436.53	16,537.66	190,568.37
51	21,974.19	5,002.42	16,971.77	173,596.60
52	21,012.40	4,556.91	16,455.49	157,141.11
53	21,012.40	4,124.95	16,887.45	140,253.66
54	21,012.40	3,681.66	17,330.74	122,922.92
55	21,012.40	3,226.73	17,785.67	105,137.25
56	20,004.60	2,759.85	17,244.75	87,892.50
57	20,004.60	2,307.18	17,697.42	70,195.08
58	20,004.60	1,842.62	18,161.98	52,033.10
59	20,004.60	1,365.87	18,638.73	33,394.37
60	34,270.97	876.60	33,394.37	0.00
TOTALS	$1,888,767.33	$888,767.33	$1,000,000.00	

EXHIBIT E TO
PARTICIPATION AGREEMENT

CERTIFICATE OF INTEREST

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association, as indenture trustee (herein in such capacity called the "Indenture Trustee") under that certain Trust Indenture and Mortgage dated as of August 1, 1975 (herein called the "Trust Indenture"), between the Indenture Trustee and Harris Trust and Savings Bank, as owner trustee (herein in such capacity called the "Owner Trustee") under that certain Trust Agreement dated as of August 1, 1975 (herein called the "Trust Agreement") with Chase Manhattan Realty Leasing Corporation (herein called "CMRLC"), hereby acknowledges receipt from (herein called the "Lender") of $, such sum having been paid by the Lender under and pursuant to the terms and conditions of that certain Participation Agreement dated as of August 1, 1975 (herein called the "Participation Agreement"), among Illinois Central Gulf Railroad Company (herein called the "Lessee"), the Owner Trustee, the Indenture Trustee, CMRLC, the Lender and the other Lenders listed in Schedule A to the Participation Agreement. By reason of such payment the Lender has an interest in a principal amount equal to such sum in all estate, right, title and interest of the Indenture Trustee in and to the Manufacturing Agreement dated as of August 1, 1975 (herein called the "Manufacturing Agreement"), between the Lessee and the Owner Trustee and the railroad equipment constructed thereunder (herein called the "Equipment"), and the Lease dated as of August 1, 1975 (herein called the "Lease"), between the Lessee and the Owner Trustee, including, without limitation, all amounts of rent, insurance proceeds and requisition, indemnity or other payments of any kind payable to the Indenture Trustee, except to the extent that instalments of such principal amount shall have been paid. Pursuant to the Trust Indenture the Owner Trustee has conveyed and set over to the Indenture Trustee all estate, right, title and interest of the Owner Trustee in and to the Manufacturing Agreement, the Equipment and the Lease, except as set forth in the Trust Indenture.

Under the terms of the Trust Indenture, subject to the rights of prepayment contained therein in the event of a Casualty Occurrence (as defined in the Lease) and the Participation Agreement, (i) such principal amount is payable in 60 consecutive quarterly instalments on each of the quarterly anniversaries in each year of the final Lenders' Closing

Date (as defined in the Participation Agreement) under the Participation Agreement, commencing the first such quarterly anniversary, calculated as provided in the Trust Indenture, (ii) such principal amount bears interest from the date hereof on the unpaid portion thereof from time to time outstanding, payable on January 30, 1976, the final Lenders' Closing Date under the Participation Agreement and each of the quarterly anniversaries in each year of such final Lenders' Closing Date until such principal amount shall have been paid in full at the rate of 10-1/2% per annum, and (iii) all such principal and interest remaining unpaid after the same shall have become due and payable bears interest at the rate of 11-1/2% per annum to the extent legally enforceable. If any of the payment dates referred to in this paragraph is not a business day, the payment otherwise due on such date shall be payable on the next succeeding business day. The Indenture Trustee has furnished or promptly will furnish to the Lender a schedule of payments reflecting the dates and amounts of principal and interest payments to be made in respect of the interest of the Lender. All payments received by the Indenture Trustee in accordance with the terms of the Participation Agreement, the Manufacturing Agreement, the Lease or the Trust Indenture shall be disbursed by the Indenture Trustee in accordance with the terms and conditions of the Trust Indenture.

Dated:

CONTINENTAL ILLINOIS NATIONAL
BANK AND TRUST COMPANY OF CHICAGO,
as Indenture Trustee,

by

_____
Authorized Officer

INQUIRY SHOULD BE MADE OF THE INDENTURE
TRUSTEE IF CERTIFICATION AS TO BALANCE
DUE HEREUNDER IS REQUIRED

THE INTERESTS OF THE LENDER REFERRED TO HEREIN HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AND THE TRANSFER OF SUCH INTERESTS IS RESTRICTED AS PROVIDED IN THE PARTICIPATION AGREEMENT.