6824-C

RECORDATION NO. _____ Filed & Recorded

DEC 12 1972 -1 10 PM

INTERSTATE COMMERCE COMMISSION

MANUFACTURING AGREEMENT

Dated as of November 1, 1972

AMONG

BETHLEHEM STEEL CORPORATION,

BANKERS TRUST COMPANY,
as Trustee,

AND

TRAILER TRAIN COMPANY

MANUFACTURING AGREEMENT dated as of November 1, 1972, among BETHLEHEM STEEL CORPORATION, the corporation named in Item 1 of Annex A hereto (hereinafter called the Manufacturer), BANKERS TRUST COMPANY, a New York corporation (hereinafter called the Company), as Trustee under a Trust Agreement dated as of November 1, 1972, with GENERAL ELECTRIC CREDIT CORPORATION, and TRAILER TRAIN COMPANY, a Delaware corporation (hereinafter called the Lessee).

WHEREAS the Manufacturer agrees to construct, sell and deliver to the Company and the Company agrees to purchase the units of new, standard gauge railroad equipment (a) described in Annex B attached hereto and (b) described in each supplement hereto executed and delivered prior to the Closing Date (as hereinafter defined) substantially in the form of Annex C attached hereto (each such supplement being hereinafter called a Supplement and all such units described in Annex B and in all Supplements being hereinafter called the Equipment); *provided, however,* that neither the Company nor the Lessee shall execute any Supplement if the aggregate total base prices set forth in this Agreement, all Supplements, the Other Agreements (as hereinafter defined) and all supplements to the Other Agreements shall exceed $20,000,000; and

WHEREAS in consideration of the execution and delivery of this Agreement, the purchase agreements, purchase orders or other agreements, if any, heretofore executed between the Lessee and the Manufacturer covering the Equipment are hereby cancelled in so far as they relate to the Equipment; and

WHEREAS the Company will enter into an Equipment Trust Agreement to be dated as of April 1, 1973 (hereinafter called the Equipment Trust Agreement), with a corporate trustee (hereinafter called the Trustee), which Equipment Trust Agreement is to be substantially in the form heretofore delivered to the Lessee and the Manufacturer; and

WHEREAS it is contemplated that there will be paid by the Trustee and the Company, or only by the Company under certain circumstances, to the Manufacturer on the Closing Date the Purchase Price (as hereinafter defined) of all the Equipment; and

WHEREAS the Company, as lessor, is executing a Lease of Equipment dated as of the date hereof (such Lease of Equipment, as amended and supplemented from time to time, being hereinafter called the Lease) with the Lessee in substantially the form heretofore delivered to the Manufacturer, and the Lessee has joined in this Agreement for the purpose of making certain agreements as hereinafter set forth.

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 and Sale.* Subject to the terms and conditions hereinafter set forth, the Manufacturer will construct the Equipment and will sell and deliver the Equipment as hereinbelow provided and the Company will pay or cause the Trustee to pay to the Manufacturer the Purchase Price of the Equipment, each unit of which will be constructed in accordance with the specifications referred to in Annex B hereto or in a Supplement and in accordance with such modifications thereof as may have been agreed upon in writing by the Manufacturer and the Lessee (which specifications and modifications, if any, are hereinafter called the Specifications) and will, at or before delivery thereof to the Lessee 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 Manufacturer agrees that the design, quality and component parts of the Equipment will conform 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 such units of the Equipment as of the date of delivery thereof; *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 base price or prices of the Equipment affected thereby may be appropriately adjusted by agreement of the Manufacturer and the Lessee.

ARTICLE 2. *Delivery.* The Manufacturer will deliver the Equipment to the Lessee, as agent of 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 Manufacturer and the Lessee and in accordance with the time of delivery schedule set forth in Annex B hereto or in a Supplement; *provided, however,* that no unit of the Equipment shall be delivered under this Agreement until the Lease and this Agreement (and, in the case of Equipment described in a Supplement, such Supplement) shall have been filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act (and in delivering the Equipment, the Manufacturer may rely upon telegraphic advice from counsel for the Lessee that the Lease and this Agreement (or such Supplement) have been so filed and recorded).

The Lessee represents and warrants that at the time of the delivery of the Equipment to the Lessee, as agent of the Company, the Equipment will be new railroad equipment and no amortization or depreciation will have been claimed by any person with respect thereto. The Manufacturer represents and warrants that at such time the Equipment will be new railroad equipment and that, to the best of its knowledge, no amortization or depreciation will have been claimed by any person with respect thereto.

The Manufacturer's obligation as to time of delivery is subject to delays resulting from causes beyond the Manufacturer'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, differ-

ences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities or delays in receiving necessary materials.

Notwithstanding the preceding provisions of this Article 2, any unit of the Equipment not delivered, accepted and settled for pursuant to Article 3 hereof on or before April 2, 1973, shall be excluded from this Agreement and not included in the term "Equipment" as used in this Agreement. In the event of any such exclusion the Manufacturer, the Company and the Lessee shall execute an agreement supplemental hereto limiting this Agreement to the Equipment theretofore delivered, accepted and settled for hereunder. If the Manufacturer's failure to deliver the units of the equipment so excluded from this Agreement resulted from one or more of the causes set forth in the immediately preceding paragraph, a separate agreement shall be entered into between the Manufacturer and the Lessee providing for the purchase of such excluded equipment by the Lessee on the terms herein specified, payment to be made in cash in accordance with the terms of this Agreement after delivery of such excluded equipment either directly or by means of a conditional sale, equipment trust or such other appropriate method of financing the purchase as the Lessee and the Manufacturer shall mutually determine.

The Equipment shall be subject to inspection and approval prior to delivery by inspectors or other authorized representatives of the Company (the Company hereby appoints the Lessee, or its authorized representatives, as such representative), and the Manufacturer shall grant to any such inspector or other authorized 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, such unit or units shall thereupon be presented to an inspector or other authorized representative of the Company and the Lessee for inspection at the Manufacturer'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 Manufacturer, in such number of counterparts or copies as may reasonably be 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 Manufacturer shall not thereby be relieved of its warranty contained in Item 4 of Annex A hereto.

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 and the Manufacturer shall deliver to the Company an invoice describing such unit and any special devices, racks or assemblies the cost of which is included in the Purchase Price of such unit and stating that such unit is new standard gauge railroad equipment (other than passenger or work equipment) first put into service no earlier than the date of such delivery and acceptance, and that the Purchase Price of such unit is an amount therein specified.

ARTICLE 3. *Purchase Price and Payment.* The base price per unit of the Equipment is set forth in Annex B hereto or will be set forth in a Supplement. Such base price, which shall include freight charges, if any, prepaid by the Manufacturer, from the Manufacturer's plant to the point of delivery, is subject to such increase or decrease as may be or has been agreed to by the Manufacturer and the Lessee including a decrease to the extent contemplated by Item 6, if any, of Annex A hereto. The term "Purchase Price" as used herein shall mean the base price or prices as so increased or decreased. If on the Closing Date (as hereinafter defined in this Article 3) the aggregate of the Invoiced Purchase Prices (as hereinafter defined in this Article 3 and in Article 3 of the Other Agreements hereinafter referred to) for which settlement has theretofore been and is then being made under this Agreement and the other manufacturing agreement or agreements referred to in Item 2 of Annex A hereto (herein called the Other Agreements) would, but for the provisions of this sentence, exceed $20,000,000 (or such larger amount as the Company may at its option agree to), the Manufacturer and the Lessee will, upon request of the Company, enter into an agreement with the Company excluding from this Agreement such unit or units of the Equipment then proposed to be settled for as are specified by the Company and as will, after giving effect to such exclusion and any concurrent exclusion under the Other Agreements, reduce such aggregate Invoiced Purchase Prices under this Agreement and the Other Agreements to

not more than $20,000,000 (or such larger amount as aforesaid); and the Lessee agrees to purchase on the terms herein specified any such unit or units of the Equipment so excluded from this Agreement from the Manufacturer for cash on the Closing Date, either directly or, if the Manufacturer and the Lessee shall mutually agree, by means of a conditional sale, equipment trust or other appropriate method of financing, in which event the Company shall execute such instruments and take such other action as shall be reasonably requested by the Lessee to vest in the Lessee or its designee, full title to such unit or units.

The Equipment shall be settled for on one Closing Date fixed as hereinafter provided (the Equipment settled for on the Closing Date being hereinafter called the Group).

Subject to the provisions of Article 4 hereof, the Company hereby promises to pay or cause to be paid in cash to the Manufacturer at such place as the Manufacturer may designate, on the Closing Date with respect to the Group, an amount equal to (i) the Purchase Price of all units of the Equipment in the Group as set forth in the invoice or invoices therefor (such invoiced prices being herein called the Invoiced Purchase Prices) and (ii) if the Closing Date is later than the 31st day following the date of delivery and acceptance of a unit pursuant to Article 2 hereof, interest (computed on the basis of a 360-day year of twelve 30-day months) on the Invoiced Purchase Price of such unit from such 31st day to and including April 1, 1973, at a rate per annum equal to the prime rate which Manufacturers Hanover Trust Company, New York, New York, would charge at 11:00 a.m. on March 1, 1973, for 90-day loans to borrowers of the highest credit standing.

The term "Closing Date" with respect to the Group of the Equipment shall mean April 2, 1973.

The parties hereto contemplate (subject to the limitations set forth in the first paragraph of this Article 3) that the Company will furnish 40% of the Purchase Price of the Group of the Equipment and that an amount equal to the balance of such Purchase Price shall be paid to the Manufacturer by the Trustee from the proceeds of the issuance of the Trust Certificates under the Equipment Trust Agreement. If the Trust Certificates are not issued on or before the Closing Date, the

Company will furnish 100% of the Purchase Price of the Group of the Equipment.

If the Manufacturer shall not receive on the Closing Date the amounts payable to the Manufacturer in respect of the Group pursuant to the third paragraph of this Article 3, the Manufacturer will promptly notify the Company and the Lessee of such event and, if such amounts shall not have been previously paid and the Manufacturer shall have otherwise complied with the conditions of this Agreement to entitle the Manufacturer to receive payment hereunder, the Lessee will, not later than 90 days after the Closing Date, make payment to the Manufacturer of such amounts, together with interest on the Invoiced Purchase Prices from such Closing Date to the date of payment by the Lessee at the rate of 8% per annum or the maximum rate permitted by law, whichever is the lesser; in which event the Company shall execute such instruments and take such other action as shall be reasonably requested by the Lessee to vest in the Lessee or its designee full title to such Equipment. If the Lessee shall not make payment as aforesaid, the Company shall execute such instruments and take such other action as shall be reasonably requested by the Manufacturer to vest in the Manufacturer or its designee full title to such Equipment, whereupon the Manufacturer may, at its election, sell, lease, retain or otherwise dispose of such Equipment and take such other actions and exercise such other remedies as may be permitted by law; *provided, however,* that the Lessee shall not thereby be relieved of its obligations to make payment to the Manufacturer as aforesaid.

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.

The Manufacturer shall and hereby does retain security title to and property in the Equipment until the Manufacturer shall have been paid the amounts payable in respect of the Group pursuant to the third paragraph of this Article 3, notwithstanding the delivery of the Equipment to and the possession and use thereof by the Company or the Lessee. Upon payment to the Manufacturer of such amounts (a) such security title and property shall be transferred and assigned to the Trustee by a bill or bills of sale executed and delivered by the Manufacturer,

and thereupon such security title and property shall be merged into the security title to and property in the Equipment created by the Equipment Trust Agreement in favor of the Trustee, or, if the Equipment Trust Agreement has not been executed and delivered on or prior to the Closing Date, such security title and property of the Manufacturer shall forthwith cease and terminate without further act of any of the parties hereto or the Trustee, and (b) any and all claims, liens, security interests or other encumbrances of any nature of or arising from, through or under the Manufacturer with respect to the Equipment shall forthwith cease and terminate.

ARTICLE 4. *Conditions to Obligations of the Company.* The obligation of the Company under this Agreement to pay or cause to be paid to the Manufacturer any amount required to be paid pursuant to the third paragraph of Article 3 hereof with respect to the Group of the Equipment is subject to the satisfaction, on or prior to the Closing Date, of the following conditions:

(a) the Company shall have received the following documents in such number of counterparts or copies as may reasonably be requested in form and substance satisfactory to it:

(i) if the Equipment Trust Agreement shall not have then been executed and delivered, a bill or bills of sale from the Manufacturer transferring title to the Equipment in the Group to the Company and warranting to the Company and to the Lessee that at the time of delivery of each unit of Equipment in the Group the Manufacturer had legal title to such unit and good and lawful right to sell the same and title to such unit was, at the time of such delivery, free from all claims, liens, security interests and other encumbrances of any nature except as created by this Agreement and the Supplements and except for the rights of the Lessee under the Lease;

(ii) the Certificate or Certificates of Acceptance with respect to the Equipment in the Group referred to in the fifth paragraph of Article 2 hereof and the Lessee's Certificate with respect thereto referred to in § 1 of the Lease;

(iii) the invoice or invoices with respect to the Equipment in the Group referred to in the last paragraph of Article 2 hereof, accompanied by or having endorsed thereon a certification by the Lessee as to the correctness of the prices of such Equipment as set forth in such invoices;

(iv) an opinion of counsel for the Lessee, dated the Closing Date, stating that (A) the Lessee is a corporation legally incorporated and validly existing in good standing under the laws of its state of incorporation, and has the power and authority to own its properties and to carry on its business as now conducted, (B) this Agreement and each Supplement have been duly authorized, executed and delivered by the Lessee and, assuming the due authorization, execution and delivery thereof by the Manufacturer and the Company, are valid, legal and binding agreements, enforceable in accordance with their terms, (C) the Lease and any supplements thereto have been duly authorized, executed and delivered by the Lessee and, assuming the due authorization, execution and delivery thereof by the Company, constitute valid, legal and binding agreements, enforceable in accordance with their terms, (D) the units of the Equipment in the Group, at the time of delivery thereof pursuant to Article 2 hereof, were free of all claims, liens, security interests and other encumbrances of any nature except as created by this Agreement, the Supplements and the Equipment Trust Agreement or as permitted by Section 7.02 thereof and except for the rights of the Lessee under the Lease and (E) no approval of the Interstate Commerce Commission or any other governmental authority is necessary for the execution, delivery or performance of this Agreement and the Supplements, or if any approval is necessary it has been obtained;

(v) an opinion of counsel for the Manufacturer, dated the Closing Date, addressed to the Company and, if the Equipment Trust Agreement has then been executed and delivered, the Trustee, to the effect set forth in subclause (D) of clause (iv) of this subparagraph (a), and stating that (A) the Manufacturer is a duly organized and existing corporation

in good standing under the laws of the state of its incorporation and (B) this Agreement and each Supplement have been duly authorized, executed and delivered by the Manufacturer and, assuming the due authorization, execution and delivery by the Company and the Lessee, are legal and valid instruments binding upon and enforceable against the Manufacturer in accordance with their terms; and

(vi) such other documents as the Company may reasonably request; and

(b) the Company and the Lessee shall have entered into the Other Agreements with the respective parties thereto; and

(c) if the Equipment Trust Agreement has then been executed and delivered, the Manufacturer shall have executed and delivered to the Trustee an instrument satisfactory in form and substance to it confirming the matters set forth in clause (b) of the last sentence of Article 3 hereof.

In giving the opinions specified in clauses (iv) and (v) of subparagraph (a) of the first paragraph of this Article 4, counsel may qualify any opinion to the effect that any agreement is a legal and valid instrument binding and 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' or lessors' rights generally. In giving the opinion specified in subclause (D) of clause (iv) of subparagraph (a) of the first paragraph of this Article 4, counsel may rely as to the Manufacturer's title to the Equipment immediately prior to the time of delivery thereof under this Agreement or a Supplement, on the opinion of counsel for the Manufacturer.

ARTICLE 5. *Warranties.* The agreement of the parties relating to the Manufacturer's warranty of materials and workmanship is set forth in Item 4 of Annex A hereto.

ARTICLE 6. *Patent Indemnities.* Except in case of designs, processes or combinations specified by the Lessee and not developed or purported to be developed by the Manufacturer, and articles and materials specified by the Lessee and not manufactured by the Manu-

facturer, the Manufacturer agrees to indemnify, protect and hold harmless the Company and the Lessee from and against any and all liability, claims, demands, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Company and the Lessee because of the use in or about the construction or operation of the Equipment, or any unit thereof, of any design, process, combination, article or material infringing or claimed to infringe on any patent or other right. The Lessee likewise will indemnify, protect and hold harmless the Company from and against any and all liability, claims, demands, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Company because of the use in or about the construction or operation of the Equipment, or any unit thereof, of any design, process or combination specified by the Lessee and not developed or purported to be developed by the Manufacturer, or article or material specified by the Lessee and not manufactured by the Manufacturer, which infringes or is claimed to infringe on any patent or other right. The Manufacturer agrees to and hereby does, to the extent legally possible without impairing any claim, right or cause of action hereinafter referred to, transfer, assign, set over and deliver to the Company and the Lessee every claim, right and cause of action which the Manufacturer has or hereafter shall have against the originator or seller or sellers of any design, process, combination, article or material specified by the Lessee and used by the Manufacturer in or about the construction or operation of the Equipment, or any unit thereof, on the ground that any such design, process, combination, article or material or operation thereof infringes or is claimed to infringe on any patent or other right, and the Manufacturer further agrees to execute and deliver to the Company and the Lessee all and every such further assurances as may be reasonably requested by them more fully to effectuate the assignment, transfer and delivery of every such claim, right and cause of action. The Company will give notice to the Lessee of any claim known to the Company on the basis of which liability may be charged against the Lessee hereunder and the Company or the Lessee will give notice to the Manufacturer of any claim known to the Company or the Lessee, as the case may be, on the basis of which liability may be charged against the Manufacturer hereunder.

ARTICLE 7. *Taxes.* All payments to be made or caused to be made by the Company or the Lessee hereunder will be free of expense to the Manufacturer with respect to the amount of any local, state or federal taxes (other than net income taxes, gross receipts taxes [except gross receipts taxes in the nature of or in lieu of sales taxes], franchise taxes measured by net income based on such receipts, excess profits taxes and similar taxes), assessments, license fees, charges, fines or penalties levied or imposed upon, or in connection with, or measured by, this Agreement or any sale, use, payment, shipment, delivery or transfer of title under the terms hereof, all of which taxes, assessments, license fees, charges, fines and penalties the Company or the Lessee, as the case may be, assumes and agrees to pay on demand in addition to the Purchase Price of the Equipment; *provided, however,* that the Company will have no obligation to pay any such taxes, assessments, license fees, charges, fines or penalties unless it shall have received payment thereof from the Lessee pursuant to § 5 of the Lease; and the Lessee hereby agrees to perform such obligation if the Company should fail to do so.

ARTICLE 8. *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 P. O. Box 318, Church Street Station, New York, N. Y. 10015, attention of Corporate Trust Division (with copies to General Electric Credit Corporation, P. O. Box 8300, Stamford, Connecticut 06904 and General Electric Credit Corporation, P. O. Box 81 (North Station), White Plains, N. Y. 10603, attention of Loan Officer),

(b) to the Lessee, at 300 South Wacker Drive, Chicago, Illinois 60606, *attention of* the Vice President—Finance,

(c) to the Manufacturer, at its address set forth in Item 5 of Annex A hereto,

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

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

ARTICLE 10. *Effect and Modification of Agreement.* This Agreement, and the Annexes relating hereto, exclusively and completely state the rights and agreements of the Manufacturer, the Company and the Lessee with respect to the Equipment and supersede all other agreements, oral or written, with respect to the Equipment, other than the Lease and the Equipment Trust Agreement. 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, the Manufacturer and the Lessee.

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 New York.

ARTICLE 12. *Successors and Assigns.* As used herein the terms Manufacturer, Company, Trustee and Lessee shall be deemed to include the successors and assigns of the Manufacturer, the Company, the Trustee and the Lessee.

ARTICLE 13. *Recording.* Prior to the delivery and acceptance of any of the Equipment hereunder, the Lessee will cause this Agreement and, in the case of Equipment described in a Supplement, such Supplement to be duly filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act. The Company and the Lessee will from time to time do and perform any other act and will execute, acknowledge, deliver and the Lessee will file, register and record any and all further instruments required by law or reasonably requested by the Manufacturer or the Trustee for the purposes of proper protection of the security title of the Manufacturer or the Trustee and the rights of the holders of the Trust Certificates and of fully carrying out and effectuating this Agreement and the intent hereof.

ARTICLE 14. *Execution.* This Agreement may be executed in any number of counterparts, each of which 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.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this Agreement to be duly executed as of the date first above written.

BETHLEHEM STEEL CORPORATION,

by .....
Vice President

[CORPORATE SEAL]

Attest:

.....
Assistant Secretary

BANKERS TRUST COMPANY,
as Trustee,

by .....
Assistant Vice President

[CORPORATE SEAL]

Attest:

.....
Assistant Secretary

TRAILER TRAIN COMPANY,

by .....
Vice President—Finance

[CORPORATE SEAL]

Attest:

.....
Assistant Secretary

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF LEHIGH } ss:

On this 11th day of December, 1972, before me personally appeared FRANCIS VAN NUYS, to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL 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.

Evelyn S. Meeks
Notary Public
My Commission Expires
City of Bethlehem
Lehigh County
October 13, 1974

[NOTARIAL SEAL]

STATE OF NEW YORK
COUNTY OF NEW YORK } ss:

On this 8th day of December, 1972, before me personally appeared ROMANO I. PELUSO, to me personally known, who, being by me duly sworn, says that he is an Assistant Vice President of BANKERS TRUST 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.

Judith L. Reilly

[NOTARIAL SEAL]

JUDITH L. REILLY
Notary Public, State of New York
No. 43-3241428
Qualified in Richmond County
Certificate filed in New York County
Commission Expires March 30, 1973

STATE OF ILLINOIS }
COUNTY OF COOK } ss.:

On this 7th day of December, 1972, before me personally appeared N. V. REICHERT, to me personally known, who, being by me duly sworn, says that he is the Vice President—Finance of TRAILER TRAIN 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 July 24, 1975

ANNEX A—BETHLEHEM STEEL CORPORATION

Item 1: Bethlehem Steel Corporation, a Delaware corporation.

Item 2: The Manufacturing Agreements dated as of November 1, 1972, among the Company, the Lessee and Pullman Incorporated (Pullman-Standard division) and ACF Industries, Incorporated, respectively.

Item 3: [Intentionally left blank.]

Item 4: *Manufacturer's Warranty of Materials and Workmanship.* The Manufacturer 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 of the Manufacturing Agreement to which this Annex A is attached (hereinafter called the Agreement) and warrants the Equipment will be free from defects in material (except as to specialties incorporated therein which were specified or supplied by the Lessee and not manufactured by the Manufacturer) and workmanship or design (except as to designs specified by the Lessee and not developed or purported to be developed by the Manufacturer) under normal use and service; the Manufacturer's obligation under this paragraph being limited to making good at its plant any part or parts of any unit of the Equipment which shall be returned to the Manufacturer within one year after delivery of such unit and which the Manufacturer's examination shall disclose to its satisfaction to have been thus defective. **This warranty is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose, and of all other obligations or liabilities on the part of the Manufacturer, except for its obligations under Articles 1, 2, 3 and 6 of the Agreement.** The Manufacturer neither

assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of the Equipment, except as aforesaid.

The Manufacturer further agrees that neither the inspection as provided in Article 2 of the Agreement, nor any examination, nor the acceptance of any units of the Equipment as provided in said Article 2, shall be deemed a waiver or modification by the Company and/or the Lessee of any of their rights under this Item 4.

It is further understood and agreed that the word "design(s)" as used herein and in Article 6 of the Agreement and the word "specialties" as used herein shall be deemed to include articles, materials, systems, formulae and processes.

Item 5: Manager of Sales, Railroad Products, Bethlehem Steel Corporation, Bethlehem, Pennsylvania 18016.

Item 6: In the event that any lower base prices than those set forth in Annex B to the Agreement or in any supplement entered into pursuant to the Agreement are made by the Manufacturer on railroad equipment similar in type to any unit of the Equipment, the Manufacturer agrees to make a corresponding reduction in the base price of any such unit of the Equipment delivered pursuant to Article 2 of the Agreement on or after the date of said other price reduction.

ANNEX B—BETHLEHEM STEEL CORPORATION

Type	Trailer Train's or Manufacturer's Specification	Quantity	Lessee's Road Numbers (All Inclusive)	Unit Base Price	Total Base Price	Date of Delivery
89'4" 70-ton capacity standard level all purpose flat cars	TTX latest specification	9	971131 to 971139	$23,257.85	$209,320.65	December 1972
68' 100-ton capacity bulkhead flat cars	TTX latest specification	11	80878 to 80888	24,306.00	267,366.00	December 1972

ANNEX C

MANUFACTURING AGREEMENT SUPPLEMENT NO. . . . .

MANUFACTURING AGREEMENT SUPPLEMENT NO. . . . . . , dated as of . . . . . , 197. ., among BETHLEHEM STEEL CORPORATION, a Delaware corporation (hereinafter called the Manufacturer), BANKERS TRUST COMPANY, a New York corporation, as Trustee under a Trust Agreement dated as of November 1, 1972, with GENERAL ELECTRIC CREDIT CORPORATION and TRAILER TRAIN COMPANY, a Delaware corporation (hereinafter called the Lessee).

The parties hereto have heretofore entered into a Manufacturing Agreement dated as of November 1, 1972, which was filed and recorded with the Interstate Commerce Commission pursuant to Section 20c of the Interstate Commerce Act on December , 1972, at m., recordation number , which provides for the execution and delivery from time to time of supplements thereto each substantially in the form hereof for the purpose of subjecting to said Manufacturing Agreement additional units of new, standard gauge railroad equipment.

The following units of such railroad equipment are hereby subjected to said Manufacturing Agreement:

TYPE:

TRAILER TRAIN'S OR
MANUFACTURER'S
SPECIFICATION:

QUANTITY:

LESSEE'S ROAD NUMBERS (ALL INCLUSIVE):

UNIT BASE PRICE:

TOTAL BASE PRICE:

DATE OF DELIVERY:

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this Supplement to be duly executed as of the date first above written.

BETHLEHEM STEEL CORPORATION,

by .....
Vice President

[CORPORATE SEAL]

Attest:

.....
Assistant Secretary

BANKERS TRUST COMPANY,
as Trustee,

by .....
Vice President

[CORPORATE SEAL]

Attest:

.....
Assistant Secretary

TRAILER TRAIN COMPANY,

by .....
Vice President

[CORPORATE SEAL]

Attest:

.....
Assistant Secretary

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF LEHIGH } ss:

On this day of , 197 , before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL 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]

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss:

On this day of , 197 , before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of BANKERS TRUST 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.

.....

[NOTARIAL SEAL]

STATE OF ILLINOIS }
COUNTY OF COOK } ss:

On this day of , 197 , before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of TRAILER TRAIN 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