



NORTH AMERICAN CAR CORPORATION

222 SOUTH RIVERSIDE PLAZA • CHICAGO, ILLINOIS 60606 U.S.A. • (312) 648-4000 • TELEX 255222

Released under C

*Mrs Lee - Note there are 2 documents filed -
an Original + Supplement*

RECORDATION NO. *Filed & Recorded*

RECORDATION NO. **9506** *Filed & Recorded*

JUL 10 1978 11 50 AM

JUL 10 1978 11 50 AM

Secretary
INTERSTATE COMMERCE COMMISSION
Washington, D.C. 20423

INTERSTATE COMMERCE COMMISSION

Re: Section 20c Filing: Equipment Mortgage dated as of December 30, 1977, by and between North American Car Corporation ("North American") and First National Bank of Chicago, as Agent
AND SUPPLEMENT THERE TO.

Dear Mr. Secretary:

Enclosed for recording under Section 20c of the Interstate Commerce Act are five executed counterparts of the Equipment Mortgage ("Mortgage") dated as of December 30, 1977, by and between North American and First National Bank of Chicago, as Agent, ("Agent"), One First National Plaza, Chicago, Illinois 60670.

Under the Mortgage, North American mortgages the equipment described therein to the Agent in accordance therewith as security for North American's obligation under a Loan Agreement dated as of December 30, 1977, among North American, certain other borrowers, the Agent and certain banks as lenders; and further assigns amounts due and payable under any leases of the mortgaged equipment to secure the same obligation.

Also enclosed for recording under Section 20c of the Interstate Commerce Act are five executed counterparts of a Supplement to the Mortgage, which mortgages to the Agent thereunder certain specified railcars set forth in the Schedule thereof appended to the Supplement.

Also enclosed are checks, payable to the Interstate Commerce Commission, in the amounts of \$50 and \$10 as the recording fees for the Mortgage and Supplement.

Pursuant to the Commission's rules and regulations for the recording of certain documents under Section 20c of the Interstate Commerce Act, you are hereby requested to duly file two of the two enclosed sets of counterparts for recording in your office and to return the remaining counterparts, together with the Secretary's Certificate of Recording, to the messenger making this delivery.

If you have any questions, please contact me.

8-191A408

Date **JUL 10 1978**

Fee \$ **60**

Very truly yours,

James M. Gillespie
James M. Gillespie
Attorney

100 Washington, D.C.

David W. Keller
Conveyance

RECEIVED
JUL 10 11 44 AM '78
I.C.C.
OPERATION BR.

Revised per C

EQUIPMENT MORTGAGE AND ASSIGNMENT OF LEASES

THIS EQUIPMENT MORTGAGE AND ASSIGNMENT OF LEASES dated as of December 30, 1977 is executed by North American Car Corporation (the "Borrower") in favor of The First National Bank of Chicago as Agent under this Equipment Mortgage and Assignment of Leases (which, as amended from time to time, is herein called the "Mortgage" or the "Assignment") for the benefit of the Banks which are parties to the Loan Agreement and pursuant to the terms of Section 15 of the Loan Agreement. "Loan Agreement", as used herein, shall mean that certain Loan Agreement dated as of December 30, 1977 among North American Car Corporation, North American Finance Leasing, Inc., North American Car Corporation (Canada) Limited, The First National Bank of Chicago, as Agent for the Banks, and the Banks which may from time to time be parties to such Loan Agreement. This Mortgage is executed to induce the Banks to extend credit to the Borrower, subject to the terms and conditions set forth in the Loan Agreement.

THEREFORE, in consideration of the premises, the Borrower agrees as follows:

ARTICLE I - Equipment

Section 1. Definition of Equipment.

1.1. In order to secure prompt payment of the principal and interest of the Notes and all other Obligations (as defined in the Loan Agreement), whether now or hereafter outstanding, and faithful performance and observance by the Borrower of all its agreements and covenants contained in the Loan Agreement, this Mortgage, and all other documents executed in connection with the Loan Agreement (herein collectively called the "Obligations"), the Borrower does hereby pledge, mortgage, and grant a security interest unto the Agent in and to the following:

(a) Any and all railroad cars described in any Supplement to Mortgage in the form of Attachment I hereto which is executed by the Borrower and delivered to the Agent (which property, together with all substitutions, replacements, modifications and accessions thereto, is hereinafter called the "Equipment");

(b) All proceeds (including, without limitation, insurance and indemnity payments) from the sale or loss or other dispositions of the Equipment;

(c) All rights, claims, causes of action, if any, which the Borrower may have against any manufacturer of the

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Equipment or against any lessee or sublessee of the Borrower as lessor, and the proceeds of such rights, claims and causes of action.

All such Equipment rights, claims, causes of action and proceeds, together with the Leases and other rights and property described in Section 2.1 hereof, is herein called "Collateral".

1.2. Whenever reference herein is made to the title of the Agent to the Equipment such reference shall be deemed to mean the security interest of the Agent under this Mortgage.

1.3. When and only when the Obligations have been paid in full, and when the Revolving Credit Commitment of the Banks to advance funds to the Borrower has terminated, and all the Borrower's Obligations shall have been performed, absolute right to possession of, title to and property in the Equipment shall pass to and vest in the Borrower.

1.4. Representations and Warranties. The Borrower represents and warrants:

1.4.1. That it will be the owner of all Equipment listed in any Supplement to the Mortgage, that there will be no encumbrances or liens of any kind or character against any of said Equipment (other than a Lease and other than the lien of this Mortgage) and that it has good right and lawful authority to transfer, convey, assign, and mortgage the same.

1.4.2. That all Equipment which it identifies as New Equipment will be not more than 24 months old at the time that it is subjected to the Mortgage and that all Equipment which it identifies as Used Equipment is not more than 7 years old at the time it is subjected to the Mortgage.

1.4.3. The Borrower will keep at all times all and every part of the Equipment free and clear of all impositions which might in any way affect the title of the Agent or result in a lien upon any part of the Equipment, provided, however, that the borrower shall be under no obligation to pay any impositions where the nonpayment thereof does not, in the opinion of the Agent, adversely affect the title, lien property or rights of the Agent in or to the Equipment or otherwise under this Mortgage. If any impositions for which the Borrower is liable as aforesaid shall have been charged or levied against the Agent directly and paid by the Agent, the Borrower shall reimburse the Agent upon presentation of an invoice therefor, and any amounts so paid by the Agent shall be secured by and under this Mortgage.

Section 1.5. Maintenance and Repair. The Borrower agrees that, at its own cost and expense, it will maintain and keep all the equipment in good order and repair in accordance with industry standards.

Section 1.6. Inspections. The Banks shall have the right to inspect the Equipment and the records with respect thereto at such reasonable times as the Banks may request; provided, however, that the Borrower shall not be required to assemble the Collateral for such inspection unless there exists an Event of Default hereunder.

Section 1.7. Marking of Equipment. The Borrower will keep and maintain, plainly, distinctly, permanently and conspicuously marked on such item of Equipment suitable for marking, in letter not less than one inch in height:

TITLE TO THIS CAR IS VESTED IN A SECURED PARTY UNDER THE TERMS OF AN EQUIPMENT MORTGAGE RECORDED UNDER SECTION 20 (c) OF THE INTERSTATE COMMERCE ACT.

or other appropriate words stenciled on the item of Equipment with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Banks' security title to and property in the Equipment and its rights hereunder. Once the Equipment is so marked, the Borrower will not permit the identifying number of any item of Equipment to be changed.

Section 1.8. Compliance with Laws and Rules. During the term of this Mortgage, the Borrower will comply, and will require every lessee or user of the Equipment to comply, with all rules, regulations, orders and laws pertaining to the use, operation, or maintenance of the Equipment existing in the jurisdictions in which its or such lessees' operations involving the Equipment may extend; provided, however, that the Borrower, in good faith, may contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Agent, adversely affect the property or rights of the Banks under this Mortgage.

Section 1.9. Possession and Use. So long as an Event of Default specified in Article III hereof shall have not occurred and be continuing, the Borrower shall be entitled to the possession and use of the Equipment, but only subject to all of the terms and conditions of this Mortgage. The Borrower may also lease the Equipment to any railroad company or other corporation or entity, provided, however, that (i) such lease shall provide that the rights of such lessee are made expressly subordinate to the rights and remedies of the Agent under this Mortgage and (ii) the Borrower shall not lease, assign or permit any items of Equipment to regular service in any area where the lien of this Mortgage is not perfected as to such Equipment. Notwithstanding the foregoing, the Borrower may lease or permit Equipment to be located where the lien of the Mortgage is not

perfected so long as the Collateral Value of such Equipment does not exceed 20% of the total Collateral Value of all Equipment of all Borrowers under the Agreement.

Section 1.10. Indemnities and Warranties. The Borrower does hereby indemnify, protect and hold harmless the Agent and the Banks from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, penalties and interest, arising out of or as the result of the entering into or the performance of this Mortgage, the Agent's security title to the Equipment, the use, operation, condition, purchase, delivery, rejection, storage or return of any of the items of Equipment, any accident, in connection with the operation, use, condition, possession, storage or return of any of the items of Equipment resulting in damage to property or injury or death to any person during the period when the lien of the Agent remains in effect. This covenant of indemnity shall continue in full force and effect notwithstanding the full satisfaction of the Obligations and the release and the conveyance of security title to the Equipment to the Borrower, or the termination of this Mortgage in any manner whatsoever. The Agent shall give notice to the Borrower of claim arising hereunder and the Borrower shall have the right to take up and defend any such claim.

Section 1.11. Destruction of Equipment. The Borrower will bear the responsibility for and risk of and shall not be released from its obligations hereunder in the event of any damage to or the destruction or loss of any item of Equipment or all the Equipment.

ARTICLE II - LEASES

Section 2.1. Rights Assigned. In order to secure the prompt payment of the principal of and interest on the Notes and all other Obligations (as defined in Section 1.1) the Borrower does hereby convey, pledge, sell, mortgage, assign, transfer, set over and grant a security interest unto the Agent in and to all right, title and interest of the Borrower and to those certain leases (the "Leases") whether now or hereafter existing, covering any item of Equipment between the Borrower as lessor, and other persons, as lessees (the "Lessees"), including, but not limited to (i) the right to receive all monies due and to become due under the Leases, (ii) all claims for damages arising out of the breach thereof, (iii) the right, if any, to terminate any Lease, to perform thereunder and to compel performance of the terms thereof, (iv) all claims for damages and all insurance and other proceeds in respect of the actual or constructive loss of, or the requisition (whether of title or use), condemnation, sequestration, seizure, forfeiture or taking of, the Equipment subject always to the rights of the Lessees under the Leases and (iv) the right to take possession of the Equipment, subject to the rights of the lessees, all of the foregoing being included in the definition of "Collateral" hereunder.

Section 2.2. Supplemental Assignment. The Borrower shall execute and deliver to the Agent a Supplement to Mortgage in the form of Attachment I hereto listing all Leases which are from time to time assigned to the Banks. The Borrower shall deliver such Supplements to the Agent listing all Leases relating to Equipment.

Section 2.3. Receipt of Rent. The Borrower shall be permitted to receive and dispose of, for its own account and notwithstanding Section 2.1 hereof all monies due and to become due under the Leases and to exercise all rights and make all claims under the Leases for its own account and notwithstanding the foregoing paragraph, unless and until Event of Default (as defined in Article III hereof) has occurred and is continuing in which event such rights shall devolve upon the Agent and, upon the request of the Agent, the Borrower, or the Agent in the name of the Borrower, shall take all action necessary (including giving of notice to the Lessees) to cause all monies due from the Lessees to be paid to the Agent at its office at One First National Plaza, Chicago, Illinois or such other address as the Agent may designate to be applied, at the option of the Agent, in accordance with Section 4.4 hereof.

Section 2.4. Performance of Borrower's Obligations Under Leases. It is expressly agreed that anything herein contained to the contrary notwithstanding (i) the Borrower shall remain liable under each Lease to perform all the obligations assumed by it thereunder (ii) after the occurrence and continuation of an Event of Default the obligations of the Borrower under any Lease may be performed by the Agent or its nominee or any assignee of the Agent without releasing the Borrower herefrom and (iii) the Agent shall have no obligation or liability under the Leases by reason of, or arising out of, this Mortgage and shall not be obligated to perform any of the obligations of the Borrower under any Lease or make any payment or to make any inquiry of the sufficiency of any payment received by it to present or file any claim or to take any other action to collect or enforce any payment assigned hereunder.

Section 2.5. Documents for Perfection of Security Interest. The Borrower agrees that at any time and from time to time, upon the written request of the Agent, the Borrower will promptly and duly execute and deliver any and all such further instruments and documents as is necessary to obtain the full benefits of this Mortgage and of the rights and powers herein granted, including without limitation the execution and filing with the Interstate Commerce Commission of the Supplements and the execution and delivery of such Uniform Commercial Code financing and continuation statements, and the filing thereof in such jurisdictions as is necessary to perfect the Agent's interest (subject, however to the limitations set forth in the last sentence of Section 1.9). To the extent permitted by applicable law, the Borrower hereby authorizes the Agent to execute and file any such financing or continuation statements without necessity of the signature of the Borrower. The Borrower will cause the following language to be

stamped on all executed Leases in their possession: "This Lease has been assigned by the Borrower as collateral security for indebtedness of the Borrower".

Section 2.6. Warranties and Representations. The Borrower hereby represents and warrants that the Leases executed by it are now or will be at the time of execution thereof enforceable in accordance with their terms subject to applicable bankruptcy, insolvency or other similar laws affecting creditors rights generally. The Borrower hereby further represents and warrants that the Borrower has not assigned or pledged, and hereby covenants that it will not assign or pledge, so long as this Assignment shall remain in effect, the whole or any part of the rights hereby assigned by it to anyone other than the Banks, the successors or assigns. The Borrower further represents and warrants that the following language will appear in each Lease:

"It is understood that some of the cars furnished Lessee under this Agreement and the Borrower's rights under this Agreement may, at the time of delivery to Lessee or at some future time during the term of this Agreement, be subject to the terms of a mortgage, deed of trust, equipment trust, pledge or assignment or similar security arrangement. Lessee agrees that the cars may be stenciled or marked to set forth the ownership of such cars in the name of a mortgagee, trustee, pledgee, assignee or security holder and that this Agreement, and Lessee's rights hereunder may have been assigned and may in the future be assigned to the holder, if any, of the superior lien from time to time on each car as determined with reference to the filings under Section 20(c) of the Interstate Commerce Act; however, until notified to the contrary by any person reasonably proving to Lessee's satisfaction that he is the assignee of this Agreement or the rentals hereunder, Lessee is to pay all rentals to the order of the Borrower."

The Company will use its best efforts to have the following language inserted in all Leases executed after the date hereof:

"Lessee hereby consents to and accepts such assignment. Lessee agrees that no claim or defense which Lessee may have against the Borrowers shall be asserted or enforced against this agreement."

Section 2.7. Appointment of Agent as Attorney. If any Event of Default (as defined in Article III) shall occur and be continuing, then the Borrower constitutes the Agent and its successors and assigns, its true and lawful attorney, irrevocably and with full power of substitution, in its name or otherwise, to demand, receive compromise, sue for, and give acquittance for, any and all moneys and claims for moneys due and to become due under the Leases or otherwise arising out of the Assignment, to endorse any checks or other instruments or orders in connection therewith, and to file any claims

or take any action or institute any proceedings with respect thereto which to the Agent or its successors or assigns may seem necessary or advisable. Anything herein contained to the contrary notwithstanding, neither the Agent nor its nominee or assignee shall have any obligation or liability by reason of or arising out of the Assignment to make any inquiry as to the nature or sufficiency of, to present or file any claim with respect to, or to take any action to collect or enforce the payment of, any amounts to which it may be entitled at any time or times by virtue of the Assignment.

ARTICLE III - DEFAULTS

The occurrence of any one or more of the following events shall constitute an Event of Default hereunder:

Section 3.1. There shall occur an Event of Default under Section 14 of the Loan Agreement; or

Section 3.2. The Borrower shall fail to perform any agreement under this Security Agreement within 30 days after notice from any Bank; or

Section 3.3. Any representation made to any Bank in connection with the Security Agreement shall be materially false.

ARTICLE IV - REMEDIES

Section 4.1. Upon the occurrence and during the continuance of any Event of Default the Agent may do any one or more of the following acts regarding the Collateral, or any portion thereof, to the extent and in the manner authorized by Section 15 of the Loan Agreement:

(i) exercise all the rights and remedies in foreclosure and otherwise granted to secured parties under the provisions of applicable laws;

(ii) institute legal proceedings for the specific performance of any covenants or agreement herein undertaken by the Borrower or for aid in the execution of any power or remedy herein granted;

(iii) institute legal proceedings to foreclose upon and against the security interest granted in and by this Mortgage, to recover judgment for all amounts then due and owing as Obligations, and to collect the same out of any sale of the Collateral or of collections upon the Leases;

(iv) institute legal proceedings for the sale, under the judgment or decree of any court of competent jurisdiction, of any Collateral;

(v) notify Lessees under the Leases in the name of the Borrower or otherwise to make Lease payments directly to the Agent or as may otherwise be directed by the Agent;

(vi) personally, or by agents or attorneys, enter into and upon any premises wherein the Collateral or any part thereof may then be situated, and take possession of all or any part thereof;

(vii) demand, collect, and retain all hire, earnings and other sums due and to become due in respect of the Collateral from any party whomsoever, accounting only for the net earnings arising from such use, if any, after charging against any receipts from the use of the same and from any subsequent sale thereof all costs and expenses of and damages or losses by reason of, such use or sale; or

(viii) personally, or by agents or attorneys, enter upon and into any place wherein the Collateral may then be located, and take possession of any part or all of the Collateral, with or without process of law and without being responsible for loss or damage, and sell or dispose of all or any part of the same, free from any and all claims of the Borrower or of any other party claiming by, through, or under the Borrower at law, in equity, or otherwise, at one or more public or private sales, in such place or places, at such time or times, and upon such terms as the Agent may determine, in its sole and complete discretion and in light of its own best interests, with or without previous demand or on notice to the Borrower or advertisement of any such sale or other disposal; and for the aforesaid purposes, all notice of sale, advertisement, and demand and any right or equity of redemption otherwise required by, or available to the Borrower, under applicable law are hereby waived by the Borrower to the fullest extent permitted by applicable law. The power of sale hereunder shall not be exhausted by one or more sales, and the Agent from time to time adjourn any sale to be made pursuant to this Section 4.1.

Section 4.2. Sale. Any sale of Collateral may be in one lot or as an entirety or in separate lots and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Agent may determine. The Borrower shall be given written notice of such sale not less than ten days prior thereto by telex or registered mail addressed as provided in Section 5.13 hereof, which notice shall be deemed reasonable notice of the disposition of the Collateral. If such sale shall be a private sale, it shall be subject to the right of the Borrower to purchase or provide a purchaser, within ten days after notice of the proposed sale price, at the same price offered by the intended purchaser or a better price. The Banks may bid for and become the purchaser of the Collateral, or any of it, so offered for sale. In the event that any

Bank shall be the purchaser thereof, it shall not be accountable to the Borrower upon a subsequent disposition of the Collateral.

Section 4.3. Assembly of Collateral. The Agent may designate some premises for the delivery of the Equipment to the Agent, and the Borrower shall, at its own expense, forthwith cause the Equipment to be detached, assembled and shall arrange for such Equipment to be moved to such point and shall there deliver the Equipment to the Agent. This Agreement to deliver the Equipment as hereinbefore provided is of the essence of the agreement between the parties, and, upon application to any court having jurisdiction in the premises, the Banks shall be entitled to a decree against the Borrower requiring specific performance hereof. The Borrower hereby expressly waives any and all claims against the Banks and the Agent or its agents for damages of whatever nature in connection with any retaking of any item of Equipment in any manner.

Section 4.4. Disposition of Proceeds. If, as provided in this Section 4, the Banks or the Agent shall exercise any of the powers conferred by this Mortgage, all payments made by the Borrower to the Banks or the Agent hereunder and the proceeds of any judgment collected from the Borrower by the Banks hereunder, and the proceeds of every sale or lease of any of the Collateral, together with any other sums which may then be held by the Banks or the Agent under any of the provisions hereof, shall be applied to the payment, in the following order of priority:

(a) To all proper charges, expenses, and costs of taking, transporting, preparing and selling the Collateral;

(b) To payment of the Obligations in such order as the Agent shall determine, and

(c) The remainder, if any, shall be remitted to the Borrower.

ARTICLE V - GENERAL

Section 5.1. The Agent. The Agent shall not be responsible to the Banks for the validity or effectiveness of any Collateral given to or held by it as Agent hereunder, or for failure to demand Collateral hereunder, or for the specification or failure to specify any particular asset and property to become Collateral hereunder, or for errors in establishing values of Collateral hereunder, or for the validity or effectiveness of any assignment, mortgage, pledge, security agreement or financing statement made to and accepted by it hereunder, nor for the filing, recording, re-filing, continuing or re-recording of any thereof, nor shall it be liable to the Banks because of any invalidity of the security provisions of the Mortgage or any other agreement, whether arising from statute, law or decision of any

court, or by reason of any action or omission to act on its part, not the result of gross negligency or willful misconduct. The Agent accepts its duties hereunder subject to the terms and conditions of Section 15 of the Loan Agreement.

Section 5.2. No Set-Off. The rights of the Banks to payment of the obligations as well as any other rights hereunder shall not be subject to any defense, set-off, counterclaim or recoupment whatsoever arising by reason of breach of any warranty with respect to the Equipment, any other indebtedness or liability at any time owing to the Borrower or any insolvency, bankruptcy, reorganization or similar proceedings by or against the Borrower. The Borrower hereby waives, to the extent permitted by applicable law, any and all rights which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender this Mortgage, except in accordance with the express terms hereof.

Section 5.3. Rights Cumulative. Each and every power and remedy hereby specifically given to the Agent or the Banks shall be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time simultaneously and as often and in such order as may be deemed expedient by the Banks or the Agent. All such powers and remedies shall be cumulative, and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Banks or the Agent in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder shall impair any such power or remedy or shall be construed to be a waiver of any default or an acquiescence therein. Any extension of time for payment hereunder or other indulgence duly granted to the Borrower shall not otherwise alter or affect the Banks' or the Agent's rights or the Borrower's Obligations hereunder. The Bank's acceptance of any payment after it shall have become due hereunder shall not be deemed to alter or affect the Borrower's Obligations or the Banks' or the Agent's rights hereunder with respect to any subsequent payments or default therein.

Section 5.4. Deficiency. If, after applying all sums of money realized by the Banks under the remedies herein provided, there shall remain any amount due to it under the provisions of this Mortgage or the Notes, the Borrower shall pay the amount of such deficiency to the Banks upon demand, and, if the Borrower shall fail to pay such deficiency, the Banks may bring suit therefor and shall be entitled to recover a judgment therefor against the Borrower. If, after applying as aforesaid all sums realized by the Banks, there shall remain a surplus in the possession of the Banks, such surplus shall be paid to the Borrower.

Section 5.5. Expenses of Collection. The Company will pay all reasonable expenses, including attorneys' fees, incurred by the the Agent or the Banks in enforcing its or their remedies under the terms

of this Mortgage or preparing to enforce its or their remedies after a default hereunder. In the event that the Banks or the Agent shall bring any suit to enforce any rights hereunder and shall be entitled to judgment, then in such suit the Banks or the Agent may recover reasonable expenses including reasonable attorneys' fees, and the amount thereof shall be included in such judgment.

Section 5.6. Applicable Laws. Any provision of this Mortgage prohibited by any applicable law or any jurisdiction (which is not overridden by applicable federal law) shall as to such jurisdiction be ineffective, without modifying the remaining provisions of this Mortgage. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby waived by the Borrower to the full extent permitted by law, it being the intention of the parties hereto that this Mortgage shall be deemed to be a Chattel Mortgage and enforced as such.

Section 5.7. Waiver. Except as otherwise provided in this Mortgage, the Borrower, to the full extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of or to sell or lease the Equipment, or any one or more items of Equipment thereof, and any other requirements as to the time, place and terms of the sale or lease thereof, any other requirements with respect to the enforcement of the Banks' rights under this Mortgage and any and all rights of redemption.

Section 5.8. Recording. The Borrower will cause this Mortgage, any assignments hereof and any amendments or supplements hereto or thereto to be filed and recorded in accordance with Section 20(c) of the Interstate Commerce Act, and the Borrower will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, deposit and record any and all further instruments required by law or reasonably requested by the Agent or the Banks for the purpose of proper protection, to the satisfaction of counsel for the Banks, of its title to the Equipment and its rights under this Mortgage or for the purpose of carrying out the intention of this Mortgage, subject to the limitation set forth in the last sentence of Section 1.9; and the Borrower will promptly furnish to the Banks certificates or other evidence of such filing, registered, depositing and recording satisfactory to the Banks.

Section 5.9. Satisfaction of Mortgage and Termination of Mortgage. When the Notes and all other Obligations have been paid in full and the Banks have no further commitments to advance funds to the Borrower and all Obligations of the Borrower hereunder, under the Notes and under the Loan Agreement have been fulfilled, the Agent, acting on behalf of the Banks shall release the lien of this Mortgage with respect to the Collateral by an appropriate document in recordable form and thereupon this Mortgage shall be satisfied and void. The Agent, acting on behalf of the Banks, may release a portion of the

Equipment for the lien of this Mortgage from time to time as provided by Section 6.6 of the Loan Agreement.

Section 5.10. Payment of Expenses. The Borrower will pay for all the costs and expenses incident to this Mortgage and all reasonable costs and expenses in connection with the perfection of the Agent's lien upon the Equipment.

Section 5.11. Article Headings, Effect and Modification of Agreement. All article headings are inserted for convenience only and shall not affect any construction or interpretation of this Mortgage.

Section 5.12. Modifications. No variation or modification of this Mortgage and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized representatives of the Agent, Banks and the Borrower.

Section 5.13. Notices. All notice hereunder to any of the parties designated below shall be deemed to be properly served if delivered or mailed to it at its chief place of business at the following specified addresses:

(a) To the Borrower at: North American Car Corporation
222 South Riverside Plaza
Chicago, Illinois 60606
Attention: Vice President -
Finance

(b) To the Banks at: The respective names and respective addresses set forth in the signature page of the Loan Agreement.

Section 5.14. Law Governing. The terms of this Mortgage and all rights and obligations hereunder shall be governed by the laws of Illinois; provided, however, that the parties shall be entitled to all rights conferred by this filing, recording or deposit hereof in the appropriate office(s) pursuant to Section 20(c) of the Interstate Commerce Act.

Section 5.15. Counterparts. This Mortgage may be executed by the parties hereto individually, or in any combinations of the parties hereto, in several counterparts, each of which shall be an original and all of which taken together shall constitute one and the same agreement.

Section 5.16. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of the Borrower and the Banks, and their respective successors and assigns, except that the Borrowers may not assign or transfer their rights hereunder without the prior written consent of the Agent.

Section 5.17. Execution. Although this Mortgage is dated as of December 30, 1977, for convenience the actual date or dates of execution hereby by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed,

North American Car Corporation

By *R.A. Nohel*
Its *Asst Sec.*

THE FIRST NATIONAL BANK OF CHICAGO,
as Agent on behalf of each of the Banks.

By *Douglas F. Nelson*
Its VICE PRESIDENT

STATE OF ILLINOIS }
COUNTY OF COOK } ss.:

On this 7th day of July, 1978, before me personally appeared R.A. Noback, to me personally known, who, being by me duly sworn, says that he is Asst. Sec. of NORTH AMERICAN CAR CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was on July 7, 1978 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.

Debra A. LaRue
Notary Public

My Commission Expires 4/3/82

STATE OF ILLINOIS }
COUNTY OF COOK } ss.:

On this 7th day of July, 1978, before me personally appeared Douglas F. Nelson, to me personally known, who, being by me duly sworn, says that he is Vice President of FIRST NATIONAL BANK OF CHICAGO, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was on July 7, 1978 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 such corporation.

Mary Anne Le Conte
Notary Public

My Commission Expires 11/30/80

