

RECORDATION NO. 11072-C
Filed 1425

NOV 20 1979 4:30 PM
INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 11072
Filed 1425

NOV 20 1979 4:00 PM
INTERSTATE COMMERCE COMMISSION

CRAVATH, SWAIN & MOORE

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I.C.C. FEE OPERATION BR.

ONE CHASE MANHATTAN PLAZA

NEW YORK, N. Y. 10005

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NOV 20 1979

Date
Fee \$ 100.60

ICC Washington, D. C.

RECORDATION NO. 11072-A
NOV 20 1979 4:30 PM
INTERSTATE COMMERCE COMMISSION

CARLYLE E. ...
ALBERT R. CONNELLY
FRANK H. DETWEILER
GEORGE G. TYLER

ROSWELL L. GILPATRICK
L. R. BRESLIN, JR.
GEORGE B. TURNER
JOHN H. MORSE
HAROLD R. MEDINA, JR.
CHARLES R. LINTON

4, PLACE DE LA CONCORDE
75008 PARIS, FRANCE
TELEPHONE: 265-81-54
TELEX: 290530

33 THROGMORTON STREET
LONDON, EC2N 2BR, ENGLAND
TELEPHONE 01-606-1421
TELEX: 8814901

CABLE ADDRESSES
CRAVATH, N. Y.
CRAVATH, PARIS
CRAVATH, LONDON E. C. 2

MAURICE T. MOORE
BRUCE BROMLEY
WILLIAM B. MARSHALL
RALPH L. McAFEE
ROYALL VICTOR
ALLEN H. MERRILL
HENRY W. DEKOSMIAN
ALLEN F. MAULSBY
STEWARD R. BROSS, JR.
HENRY P. RIORDAN
JOHN R. HUPPER
SAMUEL C. BUTLER
WILLIAM J. SCHRENK, JR.
BENJAMIN F. CRANE
FRANCIS F. RANDOLPH, JR.
JOHN F. HUNT
GEORGE J. GILLESPIE, III
RICHARD S. SIMMONS
WAYNE E. CHAPMAN
THOMAS D. BARR
MELVIN L. BEDRICK
GEORGE T. LOWY
ROBERT ROSENMAN
JAMES H. DUFFY
ALAN J. HRUSKA

JOHN E. YOUNG
JAMES M. EDWARDS
DAVID G. ORMSBY
DAVID L. SCHWARTZ
RICHARD J. HIEGEL
FREDERICK A. O. SCHWARZ, JR.
CHRISTINE BESHAR
ROBERT S. RIFKIND
DAVID BOIES
DAVID O. BROWNWOOD
PAUL M. DODYK
RICHARD M. ALLEN
THOMAS R. BROME
ROBERT D. JOFFE
ROBERT F. MULLEN
ALLEN FINKELSON
RONALD S. ROLFE
JOSEPH R. SAHID
PAUL C. SAUNDERS
MARTIN L. SENZEL
DOUGLAS D. BROADWATER
ALAN C. STEPHENSON
RICHARD L. HOFFMAN
JOSEPH A. MULLINS
MAX R. SHULMAN

November 20, 1979

Chicago and North Western Transportation Company
Lease Financing Dated as of October 15, 1979
11-3/8% Conditional Sale Indebtedness Due January 15, 1994
(Mercantile Trust Company, N.A. - Blue Covers)

Dear Madam:

Pursuant to 49 U.S.C. § 11303(a) and the Commission's rules and regulations thereunder, I enclose herewith on behalf of Chicago and North Western Transportation Company, for filing and recordation, counterparts of the following documents:

New Member →

1 (a) Conditional Sale Agreement (B) dated as of October 15, 1979, between First Security State Bank, as Trustee, and General Motors Corporation (Electro-Motive Division);

(b) Agreement and Assignment dated as of October 15, 1979, between General Motors Corporation (Electro-Motive Division) and First Security Bank of Utah, National Association, as Agent; and

2 (a) Lease of Railroad Equipment (B) dated as of October 15, 1979, between Chicago and North Western Transportation Company and First Security State Bank, as Trustee;

Counterpart

213-2-A
-B

(b) Assignment of Lease and Agreement dated as of October 15, 1979, between First Security State Bank, as Trustee, and First Security Bank of Utah, National Association, as Agent.

The names and addresses of the parties to the aforementioned Agreements are as follows:

(1) Agent-Vendor:

First Security Bank of Utah,
National Association
79 South Main Street (Suite 310)
Salt Lake City, Utah 84111

(2) Trustee:

First Security State Bank
79 South Main Street (Suite 310)
Salt Lake City, Utah 84111

(3) Builder-Vendor:

General Motors Corporation
(Electro-Motive Division)
LaGrange, Illinois 60525

(4) Lessee:

Chicago and North Western
Transportation Company
400 West Madison Street
Chicago, Illinois 60606

Please file and record the documents referred to in this letter and cross-index them under the names of the Agent-Vendor, the Trustee, the Builder-Vendor and the Lessee.

The equipment covered by the aforementioned documents consists of the following:

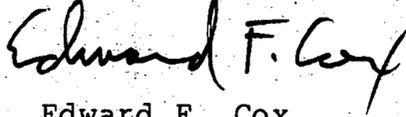
12 GP-38-2 locomotives, bearing identifying numbers of the Lessee CNW 4600-CNW 4611, both inclusive.

There is also enclosed a check for \$100 payable to the Interstate Commerce Commission, representing the fee for recording the Conditional Sale Agreement and related Agreement and Assignment (together constituting one document) and the Lease of Railroad Equipment and related Assignment

of Lease and Agreement (together constituting one document).

Please stamp all counterparts of the enclosed documents with your official recording stamp. You will wish to retain one copy of the instruments for your files. It is requested that the remaining counterparts be delivered to the bearer of this letter.

Very truly yours,



Edward F. Cox,
As Agent for Chicago and North Western
Transportation Company

Agatha L. Mergenovich, Secretary,
Interstate Commerce Commission,
Washington, D. C. 20423

Encls.

-A

RECORDATION NO. 44072-A
NOV 20 1979 - 2 112 PM
FILED 1425
INTERSTATE COMMERCE COMMISSION

AGREEMENT AND ASSIGNMENT dated as of October 15, 1979, between GENERAL MOTORS CORPORATION (Electro-Motive Division), a Delaware corporation ("Builder"), and FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, a national banking association, acting as Agent (hereinafter, together with its successors and assigns, called "Agent") under a Participation Agreement dated as of the date hereof (the "Participation Agreement").

WHEREAS Builder and FIRST SECURITY STATE BANK, acting as Trustee ("Trustee") under a Trust Agreement dated as of the date hereof (the "Trust Agreement") with MERCANTILE TRUST COMPANY, N.A. ("Owner"), have entered into a Conditional Sale Agreement dated as of the date hereof (the "CSA") covering the construction, sale and delivery, on the conditions therein set forth, by Builder and the purchase by Trustee of the railroad equipment described in Annex B to the CSA (the "Equipment"); and

WHEREAS Trustee and CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY ("Lessee") have entered into a Lease of Railroad Equipment dated as of the date hereof (the "Lease") providing for the lease to Lessee of the Equipment, and Trustee and Agent have entered into an Assignment of Lease and Agreement dated as of the date hereof (the "Lease Assignment") providing for the assignment of the Lease to Agent;

NOW, THEREFORE, THIS AGREEMENT AND ASSIGNMENT (this "Assignment") WITNESSETH: that in consideration of the sum of \$1 and other good and valuable consideration paid by Agent to Builder, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1. Builder hereby assigns, transfers and sets over unto Agent:

(a) all the right, title and interest of Builder in and to each unit of Equipment when and as severally delivered to and accepted by Trustee, subject to payment by Agent to Builder of the amount required to be paid

pursuant to Section 4 hereof;

(b) all the right, title and interest of Builder in and to the CSA (except the right to construct and deliver the Equipment and the right to receive the payments specified in Paragraph 4.3(a) thereof and reimbursement for taxes paid or incurred by Builder), and except as aforesaid in and to any and all amounts which may be or become due or owing to Builder under the CSA on account of the indebtedness in respect of the Purchase Price (as defined in Paragraph 4.1 of the CSA) of the Equipment and interest thereon, and in and to any other sums becoming due from Trustee under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) of this paragraph, all Builder's rights, titles, powers, privileges and remedies under the CSA;

without any recourse hereunder, however, against Builder for or on account of the failure of Trustee to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject Agent to, or transfer, or pass, or in any way affect or modify, the obligations of Builder to deliver the Equipment in accordance with the CSA or with respect to its warranties and agreements referred to in Article 13 of the CSA or relieve Trustee from its obligations to Builder contained in Articles 2, 3, 4, 6 and 13 of the CSA, it being agreed that all obligations of Builder to Trustee with respect to the Equipment shall be and remain enforceable by Trustee, its successors and assigns, against and only against Builder. In furtherance of the foregoing assignment and transfer, Builder hereby authorizes and empowers Agent in Agent's own name, or in the name of Agent's nominee, or in the name of and as attorney, hereby irrevocably constituted, for Builder, to ask, demand, sue for, collect, receive and enforce any and all sums to which Agent is or may become entitled under this Assignment and compliance by Trustee with the terms and agreements on its part to be performed under the CSA, but at the expense and liability and for the sole benefit of Agent.

SECTION 2. Builder agrees that it shall construct the Equipment in full accordance with the CSA and will deliver the same upon completion to Trustee in accordance with the provisions of the CSA; and that, notwithstanding this Assignment, it will perform and fully comply with each

of and all the covenants and conditions of the CSA set forth to be performed and complied with by Builder. Builder agrees that it will warrant to Agent and Trustee that at the time of delivery of each unit of the Equipment under the CSA it had legal title to such unit and good and lawful right to sell such unit and that such unit was free of all claims, liens, security interests and other encumbrances of any nature except only the rights of Trustee under the CSA and the rights of Lessee under the Lease; and Builder agrees that it will defend the title to such unit against the demands of all persons whomsoever based on claims originating prior to the delivery of such unit by Builder under the CSA; all subject, however, to the provisions of the CSA and the rights of Trustee thereunder. Builder will not deliver any unit of the Equipment under the CSA until the CSA, the Lease, this Assignment and the Lease Assignment have been filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 (Builder and its counsel being entitled to rely on advice from special counsel for Agent that such filing has occurred).

SECTION 3. Builder agrees with Agent that in any suit, proceeding or action brought by Agent under the CSA for any installment of, or interest on, indebtedness in respect of the Purchase Price of the Equipment or to enforce any provision of the CSA, Builder will indemnify, protect and hold harmless Agent from and against all expenses, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever claimed by Trustee or Lessee arising out of a breach by Builder of any obligation with respect to the Equipment or the manufacture, construction, delivery or warranty thereof, or by reason of any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to Trustee or Lessee by Builder. Builder's obligation so to indemnify, protect and hold harmless Agent is conditional upon (a) Agent's timely motion or other appropriate action, on the basis of Article 14 of the CSA, to strike any defense, setoff, counterclaim or recoupment asserted by Trustee or Lessee in any such suit, proceeding or action and (b) if the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and accepts such defense, setoff, counterclaim or recoupment as a triable issue in such suit, proceeding or action, Agent's prompt notification to Builder of the asserted defense, setoff, counterclaim or recoupment and Agent's giving Builder the right, at Builder's expense, to compromise, settle or defend against such defense, setoff, counterclaim or recoupment.

Except in cases of articles or materials specified by Lessee and not manufactured by Builder and in cases of designs, systems, processes, formulae or combinations specified by Lessee and not developed or purported to be developed by Builder, Builder agrees, except as otherwise specifically provided in Annex A to the CSA, to indemnify, protect and hold harmless Agent from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against Agent or its assigns because of the use in or about the construction or operation of any unit of Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. Agent will give prompt notice to Builder of any claim actually known to Agent which is based upon any such alleged infringement and will give Builder the right, at Builder's expense, to compromise, settle or defend against such claim. Builder agrees that any amounts payable to it by Trustee or Lessee with respect to the Equipment, whether pursuant to the CSA or otherwise, not hereby assigned to Agent, shall not be secured by any lien, charge or security interest upon such Equipment or any unit thereof.

SECTION 4. Agent, on each Closing Date fixed as provided in Paragraph 4.2 of the CSA with respect to a Group (as defined in Paragraph 4.2 of the CSA) of the Equipment, shall pay to Builder an amount equal to the portion of the Purchase Price of the units of the Equipment then being settled for on such Closing Date which, under the terms of Paragraph 4.3(b) of the CSA, is payable in installments, provided that the conditions specified in Paragraphs 7 and 8 of the Participation Agreement have been satisfied and there shall have been delivered to Agent (with a copy to Trustee) on or prior to such Closing Date, the following documents, in form and substance satisfactory to it and to Messrs. Cravath, Swaine & Moore, special counsel to Agent, in such number of counterparts as may be reasonably requested by said special counsel:

(a) a bill or bills of sale from Builder transferring to Agent all right, title and interest of Builder in such units, warranting to Agent and to Trustee that, at the time of delivery of such units to Trustee under the CSA, Builder had legal title to such units and good and lawful right to sell such units and such units were free of all claims, liens, security interests and other encumbrances of any nature except only the rights of Trustee under the CSA and the rights

of Lessee under 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 Builder to Trustee under the CSA;

(b) a Certificate or Certificates of Acceptance on behalf of Trustee and Lessee with respect to such units of the Equipment as contemplated by Paragraph 3.4 of the CSA and § 2 of the Lease;

(c) an Invoice (as defined in Paragraph 4.1 of the CSA) for such units of the Equipment accompanied by or having endorsed thereon a certification by Trustee and Lessee as to their approval thereof;

(d) an opinion of counsel for Builder, dated as of the Closing Date, addressed to Agent and Trustee, to the effect that the aforesaid bill or bills of sale have been duly authorized, executed and delivered by Builder and are valid and effective to vest in Agent all right, title and interest of Builder in such units of the Equipment, free from all claims, liens, security interests and other encumbrances at the time of delivery to Trustee (other than those created by the CSA and this Assignment and the rights of Lessee under the Lease) arising from, through or under Builder; and

(e) a receipt from Builder for any payment (other than the payment being made by Agent pursuant to the first paragraph of this Section 4) required to be made on such Closing Date to Builder with respect to such Equipment, unless such payment is made by Agent with funds furnished to it for that purpose by Trustee.

The obligation of Agent hereunder to make payment for any of the Equipment hereunder is conditioned upon the satisfaction of all of the conditions contained in Paragraph 7 of the Participation Agreement and Agent having on deposit, pursuant to the terms of the Participation Agreement, sufficient funds available to make such payment and upon payment by Trustee of the amount required to be paid by it pursuant to Paragraph 4.3(a) of the CSA. In the event that Agent shall not make any such payment, Agent shall reassign to Builder, without recourse to Agent, all right, title and interest of Agent in and to the units of the Equipment with respect to which payment has not been made by Agent.

SECTION 5. Agent may assign all or any of its rights under the CSA, including the right to receive any payments due or to become due to it from Trustee thereunder. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, and upon giving the written notice required in Article 14 of the CSA, enjoy all the rights and privileges and be subject to all the obligations of Agent hereunder.

SECTION 6. Builder hereby:

(a) represents and warrants that the CSA and this Assignment were duly authorized by it and lawfully executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by Trustee, the CSA and this Assignment are, insofar as Builder is concerned, legal, valid and binding agreements, enforceable against Builder in accordance with their terms and that they are now in force without amendment thereto;

(b) agrees that it will from time to time, at the request of Agent, make, execute and deliver all such further instruments of assignment, transfer and assurance and do all such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to Agent or intended so to be; and

(c) agrees that, upon request of Agent, it will execute any and all instruments which may be necessary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of Builder therein or in the Equipment.

SECTION 7. This Assignment 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 the rights conferred by 49 U.S.C. § 11303, such additional rights arising out of the filing, recording or depositing of the CSA and this Assignment as shall be conferred by the laws of the several jurisdictions in which the CSA or this Assignment shall be filed, recorded or deposited, or in which any unit of the Equipment shall be located.

SECTION 8. This Assignment may be executed in

any number of counterparts, but the counterpart delivered to Agent shall be deemed to be the original counterpart. Although for convenience this Assignment is dated as of the date first above written, the actual dates of execution hereof by the parties hereto are, respectively, the dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names by duly authorized officials, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

GENERAL MOTORS CORPORATION
(Electro-Motive Division),

[Corporate Seal]

by

Harold J. Smith
Vice President

Attest:

Carlynn J. [Signature]
Assistant Secretary

FIRST SECURITY BANK OF UTAH,
NATIONAL ASSOCIATION, as Agent,

[Corporate Seal]

by

Authorized Officer

Attest:

Authorized Officer

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

Receipt of a copy of, and due notice of the assignment made by, the foregoing Agreement and Assignment is hereby acknowledged as of October 15, 1979.

FIRST SECURITY STATE BANK, not
in its individual capacity but
solely as Trustee,

by

Authorized Officer

AGREEMENT AND ASSIGNMENT dated as of October 15, 1979, between GENERAL MOTORS CORPORATION (Electro-Motive Division), a Delaware corporation ("Builder"), and FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, a national banking association, acting as Agent (hereinafter, together with its successors and assigns, called "Agent") under a Participation Agreement dated as of the date hereof (the "Participation Agreement").

WHEREAS Builder and FIRST SECURITY STATE BANK, acting as Trustee ("Trustee") under a Trust Agreement dated as of the date hereof (the "Trust Agreement") with MERCANTILE TRUST COMPANY, N.A. ("Owner"), have entered into a Conditional Sale Agreement dated as of the date hereof (the "CSA") covering the construction, sale and delivery, on the conditions therein set forth, by Builder and the purchase by Trustee of the railroad equipment described in Annex B to the CSA (the "Equipment"); and

WHEREAS Trustee and CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY ("Lessee") have entered into a Lease of Railroad Equipment dated as of the date hereof (the "Lease") providing for the lease to Lessee of the Equipment, and Trustee and Agent have entered into an Assignment of Lease and Agreement dated as of the date hereof (the "Lease Assignment") providing for the assignment of the Lease to Agent;

NOW, THEREFORE, THIS AGREEMENT AND ASSIGNMENT (this "Assignment") WITNESSETH: that in consideration of the sum of \$1 and other good and valuable consideration paid by Agent to Builder, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1. Builder hereby assigns, transfers and sets over unto Agent:

(a) all the right, title and interest of Builder in and to each unit of Equipment when and as severally delivered to and accepted by Trustee, subject to payment by Agent to Builder of the amount required to be paid

pursuant to Section 4 hereof;

(b) all the right, title and interest of Builder in and to the CSA (except the right to construct and deliver the Equipment and the right to receive the payments specified in Paragraph 4.3(a) thereof and reimbursement for taxes paid or incurred by Builder), and except as aforesaid in and to any and all amounts which may be or become due or owing to Builder under the CSA on account of the indebtedness in respect of the Purchase Price (as defined in Paragraph 4.1 of the CSA) of the Equipment and interest thereon, and in and to any other sums becoming due from Trustee under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) of this paragraph, all Builder's rights, titles, powers, privileges and remedies under the CSA;

without any recourse hereunder, however, against Builder for or on account of the failure of Trustee to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject Agent to, or transfer, or pass, or in any way affect or modify, the obligations of Builder to deliver the Equipment in accordance with the CSA or with respect to its warranties and agreements referred to in Article 13 of the CSA or relieve Trustee from its obligations to Builder contained in Articles 2, 3, 4, 6 and 13 of the CSA, it being agreed that all obligations of Builder to Trustee with respect to the Equipment shall be and remain enforceable by Trustee, its successors and assigns, against and only against Builder. In furtherance of the foregoing assignment and transfer, Builder hereby authorizes and empowers Agent in Agent's own name, or in the name of Agent's nominee, or in the name of and as attorney, hereby irrevocably constituted, for Builder, to ask, demand, sue for, collect, receive and enforce any and all sums to which Agent is or may become entitled under this Assignment and compliance by Trustee with the terms and agreements on its part to be performed under the CSA, but at the expense and liability and for the sole benefit of Agent.

SECTION 2. Builder agrees that it shall construct the Equipment in full accordance with the CSA and will deliver the same upon completion to Trustee in accordance with the provisions of the CSA; and that, notwithstanding this Assignment, it will perform and fully comply with each

of and all the covenants and conditions of the CSA set forth to be performed and complied with by Builder. Builder agrees that it will warrant to Agent and Trustee that at the time of delivery of each unit of the Equipment under the CSA it had legal title to such unit and good and lawful right to sell such unit and that such unit was free of all claims, liens, security interests and other encumbrances of any nature except only the rights of Trustee under the CSA and the rights of Lessee under the Lease; and Builder agrees that it will defend the title to such unit against the demands of all persons whomsoever based on claims originating prior to the delivery of such unit by Builder under the CSA; all subject, however, to the provisions of the CSA and the rights of Trustee thereunder. Builder will not deliver any unit of the Equipment under the CSA until the CSA, the Lease, this Assignment and the Lease Assignment have been filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 (Builder and its counsel being entitled to rely on advice from special counsel for Agent that such filing has occurred).

SECTION 3. Builder agrees with Agent that in any suit, proceeding or action brought by Agent under the CSA for any installment of, or interest on, indebtedness in respect of the Purchase Price of the Equipment or to enforce any provision of the CSA, Builder will indemnify, protect and hold harmless Agent from and against all expenses, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever claimed by Trustee or Lessee arising out of a breach by Builder of any obligation with respect to the Equipment or the manufacture, construction, delivery or warranty thereof, or by reason of any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to Trustee or Lessee by Builder. Builder's obligation so to indemnify, protect and hold harmless Agent is conditional upon (a) Agent's timely motion or other appropriate action, on the basis of Article 14 of the CSA, to strike any defense, setoff, counterclaim or recoupment asserted by Trustee or Lessee in any such suit, proceeding or action and (b) if the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and accepts such defense, setoff, counterclaim or recoupment as a triable issue in such suit, proceeding or action, Agent's prompt notification to Builder of the asserted defense, setoff, counterclaim or recoupment and Agent's giving Builder the right, at Builder's expense, to compromise, settle or defend against such defense, setoff, counterclaim or recoupment.

Except in cases of articles or materials specified by Lessee and not manufactured by Builder and in cases of designs, systems, processes, formulae or combinations specified by Lessee and not developed or purported to be developed by Builder, Builder agrees, except as otherwise specifically provided in Annex A to the CSA, to indemnify, protect and hold harmless Agent from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against Agent or its assigns because of the use in or about the construction or operation of any unit of Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. Agent will give prompt notice to Builder of any claim actually known to Agent which is based upon any such alleged infringement and will give Builder the right, at Builder's expense, to compromise, settle or defend against such claim. Builder agrees that any amounts payable to it by Trustee or Lessee with respect to the Equipment, whether pursuant to the CSA or otherwise, not hereby assigned to Agent, shall not be secured by any lien, charge or security interest upon such Equipment or any unit thereof.

SECTION 4. Agent, on each Closing Date fixed as provided in Paragraph 4.2 of the CSA with respect to a Group (as defined in Paragraph 4.2 of the CSA) of the Equipment, shall pay to Builder an amount equal to the portion of the Purchase Price of the units of the Equipment then being settled for on such Closing Date which, under the terms of Paragraph 4.3(b) of the CSA, is payable in installments, provided that the conditions specified in Paragraphs 7 and 8 of the Participation Agreement have been satisfied and there shall have been delivered to Agent (with a copy to Trustee) on or prior to such Closing Date, the following documents, in form and substance satisfactory to it and to Messrs. Cravath, Swaine & Moore, special counsel to Agent, in such number of counterparts as may be reasonably requested by said special counsel:

(a) a bill or bills of sale from Builder transferring to Agent all right, title and interest of Builder in such units, warranting to Agent and to Trustee that, at the time of delivery of such units to Trustee under the CSA, Builder had legal title to such units and good and lawful right to sell such units and such units were free of all claims, liens, security interests and other encumbrances of any nature except only the rights of Trustee under the CSA and the rights

of Lessee under 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 Builder to Trustee under the CSA;

(b) a Certificate or Certificates of Acceptance on behalf of Trustee and Lessee with respect to such units of the Equipment as contemplated by Paragraph 3.4 of the CSA and § 2 of the Lease;

(c) an Invoice (as defined in Paragraph 4.1 of the CSA) for such units of the Equipment accompanied by or having endorsed thereon a certification by Trustee and Lessee as to their approval thereof;

(d) an opinion of counsel for Builder, dated as of the Closing Date, addressed to Agent and Trustee, to the effect that the aforesaid bill or bills of sale have been duly authorized, executed and delivered by Builder and are valid and effective to vest in Agent all right, title and interest of Builder in such units of the Equipment, free from all claims, liens, security interests and other encumbrances at the time of delivery to Trustee (other than those created by the CSA and this Assignment and the rights of Lessee under the Lease) arising from, through or under Builder; and

(e) a receipt from Builder for any payment (other than the payment being made by Agent pursuant to the first paragraph of this Section 4) required to be made on such Closing Date to Builder with respect to such Equipment, unless such payment is made by Agent with funds furnished to it for that purpose by Trustee.

The obligation of Agent hereunder to make payment for any of the Equipment hereunder is conditioned upon the satisfaction of all of the conditions contained in Paragraph 7 of the Participation Agreement and Agent having on deposit, pursuant to the terms of the Participation Agreement, sufficient funds available to make such payment and upon payment by Trustee of the amount required to be paid by it pursuant to Paragraph 4.3(a) of the CSA. In the event that Agent shall not make any such payment, Agent shall reassign to Builder, without recourse to Agent, all right, title and interest of Agent in and to the units of the Equipment with respect to which payment has not been made by Agent.

SECTION 5. Agent may assign all or any of its rights under the CSA, including the right to receive any payments due or to become due to it from Trustee thereunder. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, and upon giving the written notice required in Article 14 of the CSA, enjoy all the rights and privileges and be subject to all the obligations of Agent hereunder.

SECTION 6. Builder hereby:

(a) represents and warrants that the CSA and this Assignment were duly authorized by it and lawfully executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by Trustee, the CSA and this Assignment are, insofar as Builder is concerned, legal, valid and binding agreements, enforceable against Builder in accordance with their terms and that they are now in force without amendment thereto;

(b) agrees that it will from time to time, at the request of Agent, make, execute and deliver all such further instruments of assignment, transfer and assurance and do all such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to Agent or intended so to be; and

(c) agrees that, upon request of Agent, it will execute any and all instruments which may be necessary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of Builder therein or in the Equipment.

SECTION 7. This Assignment 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 the rights conferred by 49 U.S.C. § 11303, such additional rights arising out of the filing, recording or depositing of the CSA and this Assignment as shall be conferred by the laws of the several jurisdictions in which the CSA or this Assignment shall be filed, recorded or deposited, or in which any unit of the Equipment shall be located.

SECTION 8. This Assignment may be executed in

any number of counterparts, but the counterpart delivered to Agent shall be deemed to be the original counterpart. Although for convenience this Assignment is dated as of the date first above written, the actual dates of execution hereof by the parties hereto are, respectively, the dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names by duly authorized officials, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

GENERAL MOTORS CORPORATION
(Electro-Motive Division),

[Corporate Seal]

by

Attest:

Vice President

Assistant Secretary

FIRST SECURITY BANK OF UTAH,
NATIONAL ASSOCIATION, as Agent,

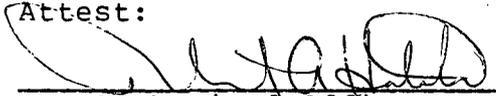
[Corporate Seal]

by

Attest:



Authorized Officer



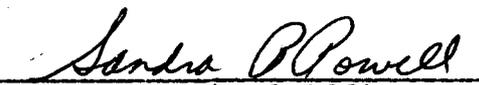
Authorized Officer

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

Receipt of a copy of, and due notice of the assignment made by, the foregoing Agreement and Assignment is hereby acknowledged as of October 15, 1979.

FIRST SECURITY STATE BANK, not
in its individual capacity but
solely as Trustee,

by



Authorized Officer

10/15/79
11:00 AM
10/15/79
11:00 AM
10/15/79
11:00 AM

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

On this day of November 1979, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (Electro-Motive Division), 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.

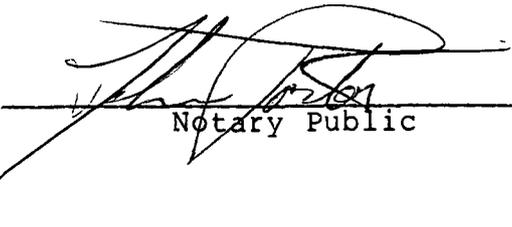
Notary Public

[Notarial Seal]

My Commission expires

STATE OF UTAH,)
) ss.:
COUNTY OF SALT LAKE,)

On this ¹⁹⁷⁴ day of November 1979, before me personally appeared **ROBERT S. CLARK**, to me personally known, who, being by me duly sworn, says that he is an authorized officer of FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the seal of said national banking association, that said instrument was signed and sealed on behalf of said national banking association 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 national banking association.



Notary Public

[Notarial Seal]

My Commission expires

9-7-82