CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY

BERNARD J. ALLEN
DIANE KOHLER-RAUSCH
JOAN A. SCHRAMM
ASSISTANT SECRETARIES

September 7, 1978

RECORDATION NO. 9684 Filed & Recorded

SEP 8 1978 11 12 AM

INTERSTATE COMMERCE COMMISSION

I.C.C. OPERATION BR.

SEP 8 11 41 AM '78

RECEIVED

File No.: A-10725

Interstate Commerce Commission
Washington, D.C. 20423
Attention: Mr. Robert L. Oswald, Secretary

Gentlemen:

Pursuant to Section 20c of the Interstate Commerce Act, as amended, attached for recordation are counterparts of Lease Agreement dated as of September 1, 1978, covering lease by this Company of 25 60-foot autoparts boxcars.

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

1. This Company (Lessee), 400 West Madison Street, Chicago, Illinois 60606.

2. Great American Life Insurance Company (Lessor), 6310 San Vincente Boulevard, Los Angeles, California 90058.

Enclosed is our check for $50.00 to cover your recording fee. Please return three counterparts showing your recordation data.

Very truly yours,

Diane Kohler-Rausch

Diane Kohler-Rausch
Assistant Secretary

DK:ph
Enclosures
cc: Robert D. Smith
M. W. Payette
R. L. Schardt
R. F. Guenther, Attn: J. James*
D. E. Stockham, Attn: J. Voldseth*
Arthur Andersen & Co., Attn: G. E. Holdren*
*with copy of agreement

8-251A034
No.
Date SEP 8 1978
Fee $ 50
ICC Washington, D. C.

400 WEST MADISON STREET · CHICAGO, ILLINOIS 60606 · 312/454-6534

Interstate Commerce Commission
Washington, D.C. 20423

9/8/78

OFFICE OF THE SECRETARY

Diane Kohler-Rausch
Chicago & North Western Transp. Co.
400 West Madison Street
Chicago, Illinois 60606

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 20(c) of the Interstate Commerce Act, 49 U.S.C. 20(c), on 8/8/78 at 11:10am, and assigned recordation number(s) 9684

Sincerely yours,

H.G. Homme, Jr.,
Acting Secretary

Enclosure(s)

SE-30-T
(2/78)

9684

RECORDATION NO. _____ Filed & Recorded

SEP 8 1978 - 11 10 AM

INTERSTATE COMMERCE COMMISSION

LEASE OF RAILROAD EQUIPMENT

Between

GREAT AMERICAN LIFE INSURANCE COMPANY

and

CHICAGO AND NORTH WESTERN

TRANSPORTATION COMPANY

Dated as of September 1, 1978

[Covering 25 60-foot Auto Parts Box Cars]

LEASE OF RAILROAD EQUIPMENT

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LEASE OF RAILROAD EQUIPMENT dated as of September 1, 1978, between GREAT AMERICAN LIFE INSURANCE COMPANY, a New Jersey corporation (hereinafter called the "Lessor"), and CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY, a Delaware corporation (hereinafter called the "Lessee").

WHEREAS, the Lessee and INTERNATIONAL CAR CO., a division of Paccar, Inc., an Ohio corporation (hereinafter called the "Builder") have entered into Builder's Purchase Order No. IC 2726 dated November 15, 1977, as amended, for the manufacture and sale of the railroad equipment described in Annex A hereto; and

WHEREAS, the Builder, the Lessor and the Lessee are entering into a Purchase Order Assignment dated as of the date hereof (hereinafter called the "Purchase Order Assignment"; together with the Purchase Order collectively referred to as the "Manufacturing Agreement"), wherein the Builder has agreed to construct and sell to the Lessor and the Lessor has agreed to purchase the railroad equipment which is the subject of the Purchase Order referred to above after it has been constructed by the Builder; and

WHEREAS, the Lessee desires to lease from the Lessor all the units of said equipment, or such lesser number as are delivered, accepted and settled for under the Manufacturing Agreement on or prior to December 15, 1978;

NOW, THEREFORE, in consideration of the premises and of the rentals to be paid and the covenants hereinafter mentioned to be kept and performed by the Lessee, Lessor and Lessee hereby agree as follows:

1. Lease of Equipment. Lessor hereby agrees to lease to Lessee, and Lessee hereby agrees to lease from Lessor, upon the terms and conditions hereinafter set forth certain railroad cars described in Annex A hereto (hereinafter collectively the "Equipment", or "Units", and individually a "Unit").

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

under the Manufacturing Agreement. Upon such delivery, the Lessee, at its own expense, will cause an authorized representative of the Lessee to inspect the same, and if such Unit is found to be acceptable, to accept delivery of such Unit and to execute and deliver to the Lessor and to the Builder a certificate of acceptance in the form of Annex B hereto (hereinafter called the "Certificate of Acceptance") in accordance with the provisions of the Purchase Order Assignment, stating that such Unit has been delivered, inspected and accepted on behalf of the Lessee and the Lessor on the date of such Certificate of Acceptance and is marked in accordance with Section 6 hereof; whereupon such Unit shall be deemed to have been delivered to and accepted by the Lessee and shall be subject thereafter to all the terms and conditions of this Lease.

The term "Closing Date" with respect to any Units shall mean such date, not later than December 15, 1978, as shall be fixed by the Lessee by written notice delivered by the Lessee to the Builder and the Lessor at least five (5) business days prior to the Closing Date designated therein. The term "business days" as used herein means calendar days, excluding Saturdays, Sundays and any other day on which banking institutions in New York, New York or Cincinnati, Ohio, are authorized or obligated to remain closed.

3. Payments for Equipment. Lessor shall from time to time on a Closing Date make such payments as Lessee may request (but not more than two (2) such payments) for the purchase of the Units under the Manufacturing Agreement, for the price provided therein (hereinafter "Purchase Price"), subject to the conditions set forth in the Purchase Order Assignment.

4. Rentals. In the event all the Units are delivered and accepted under the Manufacturing Agreement and this Lease on or prior to December 15, 1978, the Lessee agrees to pay to the Lessor as rental for each Unit subject to this Lease:

(a) a payment on November 15, 1978, in an amount equal to 0.024991% of the Purchase Price of each Unit delivered and accepted under the Manufacturing Agreement and this Lease for each day elapsed from and including the Closing Date (as said term is defined in

Section 2 hereof) with respect to such Unit to and including November 15, 1978; and

(b) thirty-two (32) consecutive semi-annual payments payable May 15 and November 15 in each year commencing May 15, 1979, in an amount equal to 4.49834% of the Purchase Price of each Unit subject to the Lease on each such date.

In the event Lessee exercises its option to renew this Lease for a period of four (4) years pursuant to Section 16 hereof, the Lessee agrees to pay to the Lessor as rental for each Unit subject to this Lease during the renewal term, eight (8) consecutive semi-annual payments payable May 15 and November 15 in each year during the renewal term commencing May 15, 1995, in an amount equal to 2.24917% of the Purchase Price of each Unit subject to the Lease on such date.

If any of the semi-annual rental payment dates referred to above is not a business day, the semi-annual rental payment otherwise payable on such date shall then be payable on the next succeeding business day, and no interest shall be payable for the period from and after the nominal date for payment thereof to such next succeeding business day.

The Lessee agrees to pay as additional rental hereunder all amounts, liabilities and obligations which Lessee assumes and agrees to pay hereunder to Lessor or others, including without limitation, payments of amounts calculated by reference to Stipulated Loss Value (as hereinafter defined).

This Lease is a net lease and Lessee's obligation to pay all rentals and other amounts hereunder shall be absolute and unconditional. Except as herein provided, Lessee shall not be entitled to any abatement of rent, reduction thereof or setoff against rent, including, but not limited to, abatements, reductions or setoffs due or alleged to be due by reason of any past, present or future claims of the Lessee against the Lessor under this Lease, or the Builder under the Manufacturing Agreement; nor, except as otherwise expressly provided herein, shall this Lease terminate, or the respective obligations of the Lessor or the Lessee be otherwise affected, by reason of any defect in or damage to or loss of possession or loss of use or destruction of all or any of the Units from whatsoever cause, any liens, encumbrances or rights of others with respect to any of the Units, the prohibition of or other restriction against the Lessee's use of all or any of the Units, the interference with such use by any person or entity, the invalidity or unenforceability or lack of due authorization of this Lease, any insolvency of or the bankruptcy, reorganization or

similar proceeding against the Lessee, or for any other cause whether similar or dissimilar to the foregoing, any present or future laws to the contrary notwithstanding, it being the intention of the parties hereto that the rents and other amounts payable by the Lessee hereunder shall continue to be payable in all events in the manner and at the times herein provided, unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease. To the extent permitted by applicable law, the Lessee hereby waives any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender the lease of any of the Units except in accordance with the express terms hereof. Each rental or other payment made by the Lessee hereunder shall be final and the Lessee shall not seek to recover all or any part of such payment from the Lessor for any reason whatsoever.

5. Term of Lease; Right to Terminate. The term of this Lease as to each Unit shall begin on the date of the delivery to and acceptance by the Lessee of such Unit and, subject to the provisions of Sections 8, 12 and 16 hereof, shall terminate on November 14, 1994, except that the obligation of the Lessee to make the rental and additional rental payments due and payable hereunder, including without limitation, the payments under Section 17 hereof shall survive the expiration of the term of this Lease.

So long as no Event of Default (or event which would constitute an Event of Default but for the lapse of time or giving of notice or both) shall have occurred and be continuing, Lessee shall have the right at its option at any time after the seventh (7th) anniversary of the last Closing Date hereunder, on at least six (6) months prior written notice to Lessor specifying a proposed date of termination to terminate this Lease with respect to all, but not less than all of the Units, provided all of such Units hereunder, in Lessee's good faith opinion, shall have become obsolete or shall be surplus to its requirements, such termination to be effective on the date of sale, if any, referred to below. During the period from the giving of such notice until the date of termination specified therein, Lessee, as Agent for Lessor, shall use its best efforts to obtain bids for the purchase of the obsolete or surplus Units, and Lessor may, at its option, seek to obtain such bids. Lessee and Lessor shall, not less than five (5) business days prior to any proposed date of sale, certify to the other in writing the amount and terms of any such bids received, the proposed date of such sale and the name and address of the purchaser submitting such bid. On the date specified in such notice of termination or such earlier date as shall be consented to in writing by Lessor, (i) Lessee shall deliver the Units to the bidder, if

any, which shall have submitted the highest bid prior to such date, in the same manner as if delivery were to be made to Lessor pursuant to Section 17; (ii) Lessor shall without recourse or warranty, simultaneously therewith, sell such Units for cash to such bidder. The total selling price realized at such sale shall be retained by Lessor and, in addition, on the date of such sale, Lessee shall pay to Lessor in funds of the type specified in Section 4 hereof, the excess, if any, of the Stipulated Loss Value (as hereinafter defined) for the Units computed as of the rental payment date next preceding the date of such sale over the sale price of the Units sold by Lessor after deducting the expenses incurred by Lessor in connection with such sale. If no such sale shall have occurred on or as of the date specified in such notice of termination, this Lease shall continue in full force and effect as to the respective Units.

6. Identification Marks. The Lessee will cause each Unit to be kept numbered with the identifying number set forth in Annex A hereto, or in the case of any Unit not therein listed, such identifying number as shall be set forth in any amendment or supplement hereto extending this Lease to cover such Unit, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each Unit, in letters not less than one inch in height, the following words:

"OWNERSHIP SUBJECT TO A SECURITY AGREEMENT
FILED UNDER THE INTERSTATE COMMERCE ACT, SECTION 20c"

or other appropriate words designated by the Lessor, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Lessor's title to and property in such Unit and the rights of the Lessor under this Lease. The Lessee will not place any such Unit in operation or exercise any control or dominion over the same until such names and words shall have been so marked on both sides thereof and will replace promptly any such names and words which may be removed, defaced or destroyed. The Lessee will not change the identifying number of any Unit unless and until (i) a statement of a new number or numbers to be substituted therefor shall have been filed with the Lessor and filed, recorded and deposited by the Lessee in all public offices where this Lease shall have been filed, recorded and deposited and (ii) the Lessee shall have furnished to the Lessor an opinion of counsel to the effect set forth in subparagraph (d) of Section 18 hereof in respect of such statement.

Except as above provided, the Lessee will not allow the name of any person, association or corporation to be placed on any Unit as a designation that might be interpreted as a

claim of ownership; provided, however, that the Lessee may cause the Units to be lettered with the names or initials or other insignia customarily used by the Lessee or its affiliates on railroad equipment used by them of the same or a similar type for convenience of identification of their rights to use the Units as permitted under this Lease.

7. Taxes. Lessee agrees to pay and discharge (and does hereby agree to indemnify and hold Lessor and any assignee of Lessor's rights under this Lease harmless from and against) all sales, use, personal property, leasing, leasing use, stamp or other taxes, levies, imposts, duties, charges or withholdings of any nature (together with any penalties, fines or interest thereon) imposed against Lessor, any such assignee, Lessee or the Equipment by any Federal, state or local government or taxing authority upon or with respect to the Equipment or upon the purchase, ownership, delivery, lease, possession, use, operation, return, sale or other disposition thereof hereunder or in connection herewith, or upon the rentals, receipts, or earnings arising therefrom, or upon or with respect to this Lease (excluding, however, taxes on, or measured by, the net income of Lessor or any such assignee imposed by the United States and other than the aggregate of all state or local taxes measured by net income based on such receipts and value added taxes in lieu of such net income taxes up to the amount of any such taxes which would be payable to the state and city in which the Lessor has its principal place of business without apportionment to any other state and other than any state franchise tax which is not based on or measured by net income, except any such tax which is in substitution for or relieves the Lessee from the payment of taxes which it would otherwise be obligated to pay or reimburse as herein provided) unless, and to the extent only that, any such tax, levy, impost, duty, charge or withholding is being contested by Lessee in good faith and by appropriate proceedings. Lessee agrees to file, on behalf of Lessor, all required tax returns (except income tax returns of Lessor) and reports concerning the Equipment with all appropriate governmental agencies and to furnish Lessor upon reasonable request a copy of each such return or report, including evidence of payment, within thirty (30) days after the due date of such filing. To the extent that any taxes hereinabove referred to in this Section 7 are included in Lessor's Cost of Cars for any unit, Lessee shall not be obligated under this Section 7 for indemnification with respect to such taxes.

In the event that, during the continuance of this Lease, the Lessee becomes liable for the payment or reimbursement of any imposition pursuant to this Section 7, such liability shall continue, notwithstanding the expiration of this Lease, until all such impositions are paid or reimbursed by the Lessee.

8. Payment for an Event of Loss. In the event that any Unit shall be or become worn out, lost, stolen, destroyed or irreparably damaged, from any cause whatsoever, or taken or requisitioned by condemnation or otherwise or other material interruption or termination of use of any Unit regardless of the cause (such occurrences being hereinafter called an "Event of Loss"), during the term of this Lease, the Lessee shall, within thirty (30) days after it shall have determined that such Unit has suffered an Event of Loss, fully notify the Lessor with respect thereto. The Lessee shall, within thirty (30) days following notice of the Event of Loss, pay to the Lessor a sum equal to (i) the aggregate Stipulated Loss Value (as hereinafter defined) of such Unit as of the immediately preceding semi-annual rental payment date in accordance with Annex C hereto referred to below and (ii) interest on the Stipulated Loss Value at a rate of 9-1/2% from the immediately preceding semi-annual rental payment date to and including the date of payment hereunder and (iii) any other amounts owing by Lessee hereunder, whether as additional rent, indemnification or otherwise. Concurrently with each payment of Stipulated Loss Value pursuant to this Section 8, the Lessee shall file with the Lessor a certificate of an officer of the Lessee setting forth the Stipulated Loss Value of each Unit as to which such payment is being made and the incident giving rise to the payment of such Stipulated Loss Value. Upon the making of such payment by the Lessee in respect of any Unit, the rental for such Unit shall cease to accrue, the term of this Lease as to such Unit shall terminate and (except in the case of the loss, theft or complete destruction of such Unit) the Lessor shall be entitled to recover possession of such Unit. At its option to be exercised in writing prior to any disposition hereunder, the Lessor hereby appoints the Lessee its agent to use its good faith efforts to dispose of any Unit suffering an Event of Loss or any component thereof, at the best price obtainable on an "as is, where is" basis. Provided that the Lessee has previously paid the Stipulated Loss Value to the Lessor, the Lessee shall be entitled to the proceeds of such sale to the extent they do not exceed the Stipulated Loss Value of such Unit and shall pay any excess to the Lessor less reasonable expenses of disposition.

The Stipulated Loss Value of each Unit as of the payment date on which payment is to be made as aforesaid shall be that percentage of the Purchase Price of such Unit as is set forth in Annex C hereto opposite the number of such immediately preceding rental payment date.

Except as hereinabove in this Section 8 provided, the Lessee shall not be released from its obligations hereunder in the event of, and shall bear the risk of, any Event of Loss to any Unit after delivery to and acceptance thereof by the Lessee hereunder.

Any condemnation payments received by the Lessor in respect of Units suffering an Event of Loss shall be deducted from the amounts payable by the Lessee to the Lessor in respect of an Event of Loss pursuant to this Section 8. If the Lessor shall receive any such condemnation payments after the Lessee shall have made payments pursuant to this Section 8 without deduction for such condemnation payments, the Lessor shall pay such condemnation payments to the Lessee up to an amount equal to the Stipulated Loss Value with respect to a Unit paid by the Lessee and any balance of such condemnation payments shall remain the property of the Lessor.

9. Reports

(a) On or before April 30 in each year, commencing with the year 1979, the Lessee will furnish to the Lessor an accurate statement (a) setting forth as at the preceding December 31 the amount, description and numbers of the Units then leased hereunder, the amount, description and numbers of all Units that have suffered an Event of Loss or are then undergoing repairs (other than running repairs) or have been withdrawn from use pending repairs (other than running repairs) during the preceding calendar year (or since the date of this Lease, in the case of the first such statement) and such other information regarding the condition and state of repair of the Units as the Lessor may reasonably request and (b) stating that, in the case of all Units repaired or repainted during the period covered by such statement, the numbers and markings required by Section 6 hereof have been preserved or replaced. The Lessor shall have the right by its agents, to inspect the Units and the Lessee's records with respect thereto, at such reasonable times as the Lessor may request during the continuance of this Lease.

(b) Lessee shall furnish or cause to be furnished to Lessor, (i) within One Hundred Twenty (120) days after each fiscal year of Lessee, a copy of the annual audited report of Lessee and any consolidated subsidiaries, prepared on a consolidated basis and in conformity with generally accepted accounting principles (subject to conforming railroad qualifications) applied on a basis consistent with that of the preceding year, and signed by nationally recognized independent certified public accountants, (ii) within One Hundred Fifty (150) days after each fiscal year of Lessee, a copy of the ICC Rail Form R1 of Lessee for such year, prepared on a consolidated basis and in conformity with the Uniform System of Accounts for Railroad Companies prescribed by the ICC applied on a basis consistent with that of the

preceding fiscal year, and signed by a proper accounting officer of the Lessee, (iii) within sixty (60) days after each quarter (except the last quarter) of each fiscal year of Lessee, a copy of its unaudited consolidated financial statement, prepared in conformtiy with generally accepted accounting principles consistently applied and consisting of at least a balance sheet as at the close of such quarter and a profit and loss statement and analysis of surplus for such quarter and for the period from the beginning of such fiscal year to the close of such quarter, and signed by a proper accounting officer of Lessee, (iv) with the annual audit report each year, a certificate of a responsible officer of Lessee to the effect that, except as otherwise specified therein, no Event of Default, or event which might mature into an Event of Default, has occurred and is continuing under this Lease, and (v) from time to time, such other information as Lessor may reasonably request.

10. DISCLAIMER OF WARRANTIES; COMPLIANCE WITH LAWS AND RULES; AND INDEMNIFICATION. THE LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE DESIGN OR CONDITION OF, OR AS TO THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE UNITS DELIVERED TO THE LESSEE HEREUNDER, AND THE LESSOR MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS OF THE UNITS FOR ANY PARTICULAR PURPOSE OR AS TO TITLE TO THE UNITS OR ANY COMPONENT THEREOF, NOR SHALL LESSOR BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING STRICT LIABILITY IN TORT), it being agreed that all such risks, as between the Lessor and the Lessee, are to be borne by the Lessee; but the Lessor hereby irrevocably appoints and constitutes the Lessee its agent and attorney-in-fact during the term of this Lease to assert and enforce from time to time, in the name of and for account of the Lessor and/or the Lessee, as their interests may appear, whatever claims and rights the Lessor may have against the Builder under the provisions of the Manufacturing Agreement. The Lessee's delivery of a Certificate of Acceptance shall be conclusive evidence as between the Lessee and the Lessor that all Units described therein are in all the foregoing respects satisfactory to the Lessee, and the Lessee will not assert any claim of any nature whatsoever against the Lessor based on any of the foregoing matters.

The Lessee agrees, for the benefit of the Lessor to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each Unit)

with all laws of the jurisdictions in which its operations involving the Units may extend, with the interchange rules of the Association of American Railroads and with all lawful rules of the Department of Transportation, the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Units, to the extent that such laws and rules affect the title, operation or use of the Units, and in the event that such laws or rules require any alteration, replacement or addition of or to any part on any Unit, the Lessee will conform therewith at its own expense; provided, however, that the Lessee may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Lessor adversely affect the property or rights of the Lessor.

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

11. Maintenance of Equipment. Lessee shall at all times keep the Equipment in good repair and efficient condition and working order, reasonable wear and tear excepted. Lessee shall supply all parts, service, and other items required in the operation and maintenance of the Equipment. Lessee may, at its own expense, from time to time make such alterations and additions to any Unit as Lessee may deem desirable in the proper conduct of its business; provided that no such alteration or addition shall diminish the value or utility of such Unit, or impair the condition thereof, below the value, utility and condition thereof immediately prior to such alteration or addition assuming such Unit was then of the value or utility and in the condition required to be maintained by the terms of this Lease; provided, further, Lessee shall give Lessor notice of any such alterations or additions not more than thirty (30) days after completion thereof. All parts, replacements, substitutions and additions to or for any Equipment shall immediately become Equipment and the property of Lessor; provided, however, that, subject to the provisions of Section 17 hereof, any additions to the Units which can be removed without material damage to the Units shall become the property of Lessee on the termination of this Lease unless such changes or additions (i) have been required by any rule, regulation or order of any government or governmental authority having jurisdiction, or (ii) are

required to comply with the applicable standards then in effect under interchange rules of the Association of American Railroads; provided, further, upon the removal of any such additions permitted hereunder, Lessee shall, at its cost and expense, restore the Units to the condition required by the terms of this Lease. Lessee assumes all risk of, and Lessee's obligations under this Lease shall continue unmodified despite, any loss, theft, destruction, damage, condemnation, requisition or taking by eminent domain or other interruption or termination of use of any Equipment regardless of the cause thereof.

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

A. default shall be made in the payment of any part of the rental provided in Section 4 hereof, and such default shall continue for a period of twenty-four (24) hours after written notice from Lessor;

B. the Lessee shall make or permit any unauthorized assignment or transfer of this Lease or of possession of the Units, or any thereof;

C. Lessee shall operate any Unit or permit any Unit to be operated at a time when public liability insurance required by Section 19 shall not be in effect;

D. any representation or warranty, except for Lessee's representations in Section 19 hereof, made by Lessee in this Lease is untrue in any material respect, or any statement, report, schedule, notice or other writing furnished by Lessee to Lessor in connection herewith is untrue in any material respect on the date as of which the facts set forth are stated or certified;

E. default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of the Lessee contained herein, and such default shall continue for thirty (30) days after written notice from the Lessor to the Lessee;

F. a petition for reorganization under Section 77 of the Bankruptcy Act, as now constituted or as such Section 77 may hereafter be amended, shall be filed by or against the Lessee and, unless such petition shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such

stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Lessee under this Lease shall not have been and shall not continue to have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed (whether or not subject to ratification) in such proceedings in such manner that such obligations shall have the same status as obligations incurred by such trustee or trustees, within thirty (30) days after such appointment, if any, or sixty (60) days after such petition shall have been filed, whichever shall be earlier; or

G. any other proceedings shall be commenced by or against the Lessee for any relief which includes, or might result in any modification of the obligations of the Lessee hereunder under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustments of the obligations of the Lessee hereunder), and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Lessee under this Lease shall not have been and shall not continue to have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees, or receiver or receivers appointed (whether or not subject to ratification) for the Lessee or for the property of the Lessee in connection with any such proceedings in such manner that such obligations shall have the same status as obligations incurred by such a trustee or trustees or receiver or receivers, within thirty (30) days after such appointment, if any, or sixty (60) days after such proceeding shall have been commenced, whichever shall be earlier;

then, in any such case, the Lessor, at its option may:

(a) proceed by appropriate court action or actions, either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof including net after-tax losses of Federal and state income tax benefits to which the Lessor would otherwise be entitled under this Lease; and

(b) by notice in writing to the Lessee terminate this Lease, whereupon all rights of the Lessee to the use of the Units shall absolutely cease and determine as though this Lease had never been made, but the Lessee shall remain liable as hereinafter provided; and

(c) by its agents enter upon the premises of the Lessee or other premises where any of the Units may be and take possession of all or any of such Units and thenceforth hold, possess and enjoy the same free from any right of the Lessee, or its successors or assigns, to use the Units for any purposes whatever;

but the Lessor shall, nevertheless, have a right to recover from the Lessee any and all amounts which under the terms of this Lease may be then due or which may have accrued to the date of such termination (computing the rental for any number of days less than a full rental period by multiplying the rental for such full rental period by a fraction of which the numerator is such number of days and the denominator is the total number of days in such full rental period) and also to recover forthwith from the Lessee (i) as damages for loss of the bargain and not as a penalty, a sum, with respect to each Unit, which represents the excess of (x) the present value, at the time of such termination, of the entire unpaid balance of all rentals for such Unit which would otherwise have accrued hereunder from the date of such termination to the end of the term of this Lease as to such Unit over (y) the then present value, if any, of the rentals which the Lessor reasonably estimates to be obtainable by the Lessor for the use of the Unit during such period, such present value to be computed in each case on a basis of 9-1/2% per annum discount, compounded monthly from the respective dates upon which rentals would have been payable hereunder had this Lease not been terminated, (ii) any damages and expenses, including reasonable attorney's fees, in addition thereto which the Lessor shall have sustained by reason of the breach of any covenant, representation or warranty of this Lease other than for the payment of rental, and (iii) all costs and expenses incurred in searching for, taking, removing, keeping, storing, repairing and restoring such Units of Equipment, and (iv) all additional amounts owing by Lessee hereunder, whether as additional rental, indemnification, or otherwise.

The remedies in this Lease provided in favor of the Lessor shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in its favor existing at law or in equity. The Lessee hereby waives any

mandatory requirements of law, now or hereafter in effect, which might limit or modify the remedies herein provided, to the extent that such waiver is not, at the time in question, prohibited by law. The Lessee hereby waives any and all existing or future claims to any offset against the rental payments due hereunder and agrees to make rental payments regardless of any offset or claim which may be asserted by the Lessee or on its behalf.

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

13. Return of Units Upon Default. If an Event of Default shall occur or if this Lease shall terminate pursuant to Section 12 hereof, the Lessors may take, or cause to be taken or demand from the Lessee, immediate possession of Equipment, or one or more of the Units thereof, and may remove the same from possession and use of the Lessee. For such purpose, the Lessor may enter upon the premises of the Lessee or any other premises where the Equipment may be located and may use and employ in connection with such removal any supplies, services and aids, including but not limited to diesel fuel or other necessary petroleum products, and any available trackage and other facilities or means of the Lessee, with or without process of law.

In case the Lessor shall demand possession of the Equipment pursuant to this paragraph and shall designate a reasonable point or points on the lines or premises of the Lessee for the delivery of Equipment to the Lessor, the Lessee shall at its own cost, expense and risk, forthwith and in usual manner, cause the Equipment to be moved to such point or points on its lines and shall there deliver the Equipment or cause it to be delivered to the Lessor. At the option of the Lessor, the Lessor may keep the Equipment on any of the lines or premises of the Lessee until the Lessor shall have leased, sold or otherwise disposed of the same (at public or private sale), and for such purpose, the Lessee agrees to furnish, without charge or rent or storage, the necessary facilities at any point or points selected by the Lessor reasonably convenient to the Lessee; provided such storage without rent shall not exceed a period of six (6) months from the date Lessee makes the Equipment available to Lessor. During any storage period, the Lessee will permit the Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser or lessee of any such Unit, to inspect the same.

Without in any way limiting the obligation of the Lessee under the foregoing provisions of this Section 13, the Lessee hereby irrevocably appoints the Lessor as agent and attorney of the Lessee with full power and authority, at any time while the Lessee is obligated to deliver possession of any Unit to the Lessor to demand and take possession of such Unit in the name and on behalf of the Lessee from whomsoever shall be in possession of such Unit at the time. This Agreement to deliver the Equipment and furnish facilities as hereinbefore provided is of the essence of the agreement between the parties, and upon application to any court of equity having jurisdiction in the premises, the Lessor shall be entitled to a decree against the Lessee requiring specific performance hereof.

The Lessee hereby expressly waives any and all claims against the Lessor and its assigns or agents for damages of whatever nature in connection with the retaking of any Unit of the Equipment in any reasonable manner.

14. Sublease, Assignment, Merger, etc. by Lessee.

(a) So long as Lessee shall not be in default under this Lease, Lessee shall be entitled to the possession and use of the Units in accordance with the terms of this Lease, but, without the prior written consent of Lessor, Lessee shall not assign, transfer or sublet its leasehold interest under this Lease in the Units or any of them; provided, however, Lessee shall have the right to sublease any Unit for a period not to exceed six (6) months to a responsible sublessee. Except as permitted in the preceding sentence, Lessee shall not, without the prior written consent of Lessor, part with the possession or control of, or suffer or allow to pass out of its possession or control, any of the Units, except to the extent permitted by the provisions of paragraph (b) below.

(b) So long as Lessee shall not be in default under this Lease, Lessee shall be entitled to the possession of the Units and to the use thereof upon its lines of railroad or upon the lines of any affiliate or upon lines of railroad over which Lessee has trackage or other operating rights or over which railroad equipment of Lessee is regularly operated pursuant to contract, and also to permit the use of the Units upon other railroads in the usual interchange of traffic, if customary at the time, but only upon and subject to all the terms and conditions of this Lease. Lessee may

receive and retain compensation for such use from other railroads so using any of the Units. Lessee agrees that during the term of this Lease, Lessee will use its best efforts to prevent the use of any Units outside the United States of America. No assignment, sublease or interchange entered into by Lessee hereunder shall relieve Lessee of any liability or obligations hereunder which shall be and remain those of a principal and not a surety.

(c) Nothing in this Section 14 shall be deemed to restrict the right of Lessee to assign or transfer its leasehold interest under this Lease in the Equipment or possession of the Equipment to any corporation (which shall have expressly assumed in writing the due and punctual payment and performance of all obligations hereunder of Lessee) into or with which Lessee shall have become merged or consolidated or which shall have acquired the property of Lessee as an entirety or substantially as an entirety.

15. Assignment by Lessor.

Lessor and any direct or remote assignee of any right, title or interest of Lessor hereunder shall have the right at any time or from time to time to assign part or all of its right, title and interest in and to this Lease, but Lessee shall be under no obligation to any assignee except upon written notice of such assignment from Lessor. Without limiting the foregoing, Lessor and any such assignee shall have the right at any time or from time to time to transfer its right, title and interest, subject to Lessee's rights under this Lease and subject to the provisions of Section 19 in and to any Unit or Units of Equipment.

Lessor may obtain financing through a financial institution and secure such financial institution ("Secured Party") by granting a security interest or other lien on any or all the Equipment, this Lease and sums due under this Lease. In such event (a) the security agreement or lien instrument will specifically provide that it is subject to Lessee's rights as herein provided; (b) such assignment of this Lease will not relieve Lessor from its obligations hereunder or be construed to be an assumption by Secured Party of such obligations (but Secured Party may perform, at its option, some or all of Lessor's obligations); (c) upon request by Lessor and/or Secured Party, Lessee will make all

payments of rental and other amounts due hereunder directly to Secured Party; (d) Lessee's obligations hereunder, including (without limitation) its obligation to pay rent and other amounts due hereunder, shall not be subject to any reduction, abatement, defense, set-off, counterclaim or recoupment for any reason whatsoever, which, however, shall not prevent Lessee from asserting any claim separately against Lessor; (e) Lessee will not, after obtaining knowledge of any such assignment, consent to any modification of this Lease without the consent of Secured Party; and (f), Lessee will provide to Lessor and Secured Party such certificates, statements or other information as Lessor may reasonably request, including without limitation, a no-default certificate.

16. Renewal Options. Provided that this Lease has not been earlier terminated and no Event of Default (or other event which after the lapse of time or the giving of notice, or both, would be an Event of Default) shall have occurred and be continuing, and the last payment of rent required to be paid hereunder shall have been made, the Lessee may (a) on the last business day of the term of this Lease by written notice delivered to the Lessor not less than six (6) months prior to the end of the term of this Lease, elect to extend the term hereof in respect of all, but not fewer than all, of such Units then covered by this Lease, for one (1) additional four-year period commencing on the scheduled expiration of the original term of this Lease, at a rental payable in eight (8) semi-annual payments, each in an amount equal to the rental set forth in Section 4 hereof; such semi-annual payments to be made on May 15 and November 15 in each year of the applicable extended term; and (b) on the last business day of the four (4) year renewal term by written notice delivered to Lessor not less than six (6) months prior to the end of such renewal term hereunder, elect to extend this Lease in respect of all, but not fewer than all of such Units then covered by this Lease for one (1) additional five (5) year period commencing on the scheduled expiration of the renewal term of this Lease at a rental payable in ten (10) equal semi-annual payments each in an amount equal to the Fair Market Rental as hereinafter defined, such payments to be made on May 15 and November 15 in each year.

In the event the Lessor elects to sell the Units to a third party within One Hundred and Twenty (120) days following the expiration of the four (4) year extended term of this Lease commencing November 15, 1994, the Lessor shall in a commercially reasonable manner solicit offers to buy such Units, and upon receipt thereof shall exhibit to the Lessee

a true copy of the most favorable offer, and the Lessee shall have a right of first refusal exercisable by written notice, delivered within fifteen (15) days of the receipt of said copy, to purchase such Units, at the sale price set forth in such offer.

Fair Market Rental shall be determined on the basis of, and shall be equal in amount to, the value which would obtain in an arm's-length transaction between an informed and willing buyer-user or lessee, as the case may be (other than (i) a lessee currently in possession and (ii) a used equipment dealer), and an informed and willing seller or lessor as the case may be, under no compulsion to sell or lease and, in such determination, costs of removal from the location of current use shall not be a deduction from such value; provided, however, such Fair Market Rental shall not include the rental value of any additions to the Equipment which may be removed by Lessee in accordance with Section 11 hereof. If on or before four (4) months prior to the expiration of any extended term of this Lease, the Lessor and the Lessee are unable to agree upon a determination of the Fair Market Rental of the Units, such value shall be determined in accordance with the foregoing definition by a qualified independent Appraiser. The term Appraiser shall mean such independent appraiser as the Lessor and the Lessee may mutually agree upon, or failing such agreement, a panel of three (3) independent appraisers, one of whom shall be selected by the Lessor, the second by the Lessee and the third designated by the first two so selected. The Appraiser shall be instructed to make such determination within a period of thirty (30) days following appointment, and shall promptly communicate such determination in writing to the Lessor and the Lessee. The determination so made shall be conclusively binding upon both the Lessor and the Lessee. The expenses and fees of the Appraiser shall be shared equally by the Lessor and the Lessee.

17. Return of Units Upon Expiration of Term. As soon as practicable on or after the expiration of the original or any extended term of this Lease with respect to any Unit, the Lessee will at its own cost and expense, at the request of the Lessor, deliver possession of such Unit to the Lessor upon such storage tracks of the Lessee or to such interchange point or points of Lessee as the Lessor reasonably may designate, provided that such storage on the Lessee's storage tracks does not interfere with the operation of the railroad of the Lessee. The Lessee will permit the Lessor to store such Unit on such tracks for a period not exceeding three (3) months after delivery of possession to Lessor hereunder and transport the same, at any time within such three-month

period, to any reasonable place on the lines of railroad operated by the Lessee, or to any connecting carrier for shipment, all as directed by the Lessor, such movement and storage of any such Unit on the storage tracks of the Lessee to be at the expense and risk of the Lessee. During said three-month storage period and at the expiration thereof, the Lessee agrees to transport the Units to any other reasonable place designated by the Lessor, the movement of such Units to such places (other than to the places set forth in the immediately preceding sentence) to be at the expense and risk of the Lessor except that the Lessee shall pay any such expenses of the Lessor to the extent of any and all income earned and received by the Lessee for use of such Unit by others, including all income received from users pursuant to the Interstate Commerce Commission Car Hire Rate Table (hereinafter "Gross Revenues") during such movement, and the Lessee shall use its best efforts to realize such Gross Revenues on such Units during such movement. During any such storage period the Lessee will maintain any insurance required pursuant to Section 20 hereof and will permit the Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser of such Unit, to inspect the same; provided, however, that the Lessee shall not be liable, except in the case of negligence of the Lessee or of its employees or agents, for any injury to, or the death of, any person exercising, either on behalf of the Lessor or any prospective purchaser, the rights of inspection granted under this sentence. The assembling, delivery, storage and transporting of the Units as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises, the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver, store and transport the Units. Each Unit returned to the Lessor pursuant to this Section 17 shall (i) be the same operating order, repair and condition as when originally delivered to the Lessee, reasonable wear and tear excepted, and (ii) meet the standards then in effect under the Interchange Rules of the Association of American Railroads and/or the applicable rules of any governmental agency or other organization with jurisdiction.

During the period of time during which the Units are being returned on or after the original or any extended term of this Lease, the Lessee will pay to the Lessor as "hold-over rent" for each such Unit being returned, the daily equivalent of the rental payment in effect pursuant to Section 4 of this Lease on the last rental payment date

hereunder for each day elapsed from the date of expiration of the original or any extended term of this Lease, as the case may be, to the date each such Unit is returned to the Lessor pursuant to this Section 17.

18. Lessee's Warranties. Lessee represents and warrants that:

(a) Lessee is a corporation duly organized and existing in good standing under the laws of the State of Delaware.

(b) Lessee is duly authorized to execute and deliver the Purchase Order Assignment and this Lease, and is duly authorized to lease Equipment hereunder and to perform its obligations hereunder and thereunder.

(c) The execution and delivery of the Purchase Order Assignment and this Lease by Lessee, and the performance by Lessee of its obligations hereunder and thereunder, do not conflict with any provision of law or of the charter or by-laws of Lessee or of any indenture, mortgage, deed of trust or agreement or instrument binding upon Lessee or to which Lessee is a party.

(d) The execution, delivery and performance of the Purchase Order Assignment and this Lease by Lessee and the consummation by Lessee of the transactions contemplated hereby and thereby do not require the consent, approval or authorization of, or notice to, any Federal, state, or local governmental authority or public regulatory body. This Lease will be duly recorded with the Interestate Commerce Commission ("ICC") in accordance with Section 20c of the Interstate Commerce Act, and such filing and recordation will protect the Lessor's interests in and to the Units, and no filing, recording or deposit (or the giving of notice) with any other federal, state, local or foreign government or agency thereof is necessary in order to protect the interests of the Lessor in and to the Units.

(e) Lessee's financial statement as at December 31, 1977, a copy of which has been furnished to Lessor, has been prepared in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding fiscal year and presents fairly the financial position of Lessee as at the date thereof, and the results of its operations for the

period then ended, and since such date there has not been any material adverse change in its financial position.

(f) The Purchase Order Assignment and this Lease are the legal, valid and binding obligations of Lessee enforceable in accordance with their respective terms.

(g) There are not any pending or threatened actions or proceedings before any court or administrative agency which will to a material extent adversely affect the financial condition or continued operation of Lessee and its subsidiaries on a consolidated basis (except as previously disclosed in writing by Lessee to Lessor).

(h) The Equipment will not be used in connection with the performance of any prime government contract or subcontract or purchase order thereunder, with respect to which the provisions of the Renegotiation Act of 1951, as amended, are applicable.

19. Federal Income Taxes.

(a) Assumed Tax Benefits. This Lease has been entered into on the basis that the Lessor shall be entitled to such deductions, credits and other benefits as are provided to an owner of property including, without limitation:

(i) this lease will constitute a true lease for federal income tax purposes.

(ii) the maximum depreciation deductions (hereinafter called the "ADR Deduction") on the Units under Section 167(a) of the Internal Revenue Code of 1954, as amended (hereinafter the "Code") (w) computed pursuant to any method of depreciation authorized by Section 167(b)(2) or (3) of the Code and pursuant to the asset depreciation range system of Section 167(m) of the Code and Section 1.167(a)-11 of the Income Tax Regulations, (x) based on a 12-year depreciable life, (specified as the lower limit for assets includable in Asset Guideline Class 00.25 as published in Revenue Procedure 77-10, 1977-1 C.B. 548), (y) taking into account an estimated gross salvage value of Ten Percent (10%) of the Purchase Price of such Unit

which will be reduced by Ten Percent (10%) as provided in Section 167(f) of the Code, and (z) computed on the basis that the basis of such Unit or Units under Section 167(g) of the Code is at least equivalent to the Purchase Price with respect to such Unit or Units; and

(iii) the investment credit under Section 38 and related sections of the Code with respect to each Unit of not less than Ten Percent (10%) of the Purchase Price with respect to such Unit.

(b) Representations. The Lessee represents, warrants and indemnifies that (i) on the Closing Date, all the Units constitute property the entire Purchase Price of which qualifies for the 10% Investment Credit under Sections 38, 46, 48 and 50 of the Code; (ii) on the Closing Date, the Units will constitute "new section 38 property" within the meaning of Sections 46 and 48 of the Code, and at the time the Lessor becomes the owner of the Units, the Units will not have been used by any person so as to preclude "the original use of such property" within the meaning of Section 48(b) and 167(c)(2) of the Code from commencing with the Lessor; (iii) on the Closing Date, the Units will qualify for the ADR Deduction using the Tax Assumption as to useful life and methods as set forth in (ii)(w) and (ii)(x) of paragraph (a) of this Section 19; (iv) the Lessee will not at any time during the term of this Lease use or fail to use any Unit in such a way as to disqualify it as "section 38 property" within the meaning of Section 48(a) of the Code or as property eligible for the ADR Deduction; (v) the Lessee represents, warrants and indemnifies that the transaction is a true lease for tax purposes and that for tax purposes the Lessor is the owner of the Units; (vi) the Lessee will maintain sufficient records to verify such use, which records will be furnished to the Lessor within thirty (30) days after receipt of a written demand therefor. The Lessee does not represent, warrant, or indemnify in any way or at any time the estimated salvage value assumption set forth in (ii)(y) of Paragraph (a) of this Section 19.

(c) Loss. If the Lessor shall lose, shall not have or shall lose the right to claim, or if there shall be disallowed or recaptured with respect to Lessor, all or any portion of the benefits provided to an owner of property with respect to a Unit set forth

in Paragraph (a) of this Section 19 as a direct result of (i) the inaccuracy of any statement in any letter or document furnished to the Lessor by the Lessee (or any officer, agent or employee thereof), (ii) the non-compliance, breach or misrepresentation by the Lessee with or of any provision of this Section 19 hereof, (iii) the use of any Unit by the Lessee in such a way as to disqualify it as Section 38 property within the meaning of Section 48(a) of the Code, or as property eligible for accelerated depreciation as provided in Section 167 of the Code, to the extent applicable, (iv) any breach by the Lessee of any other provision of the Lease which results in a loss of tax benefits for which Lessor is not otherwise compensated; or (v) any other action or omission by Lessee (all such events or losses being hereinafter called a "Loss") then subject to the exceptions in the following subparagraph and the rights of the Lessee and Lessor to contest any Loss as set forth in paragraph (d), the rental payable for the Unit or Units to which such Loss is attributable shall be adjusted in the manner set forth in paragraph (e), or with respect to a Loss for which lump sum indemnity payments are provided in paragraph (e) of this Section 19, the Lessee shall, subject to the exceptions set forth in the following subparagraph and Lessee's rights of contest set forth in paragraph (d), pay to the Lessor such lump sum indemnity payments as are provided by paragraph (e).

Notwithstanding the provisions of the immediately preceding subparagraph, there shall be no increase made in rentals, nor any payment be required to be made by Lessee if the Lessor shall have suffered such Loss with respect to all or part of such Unit as a direct result of the occurrence of any of the following events (hereinafter called "Excluded Events"):

(i) an Event of Loss with respect to such Unit, if Lessee shall have paid the amount stipulated under Section 8 hereof; or

(ii) prior to an Event of Default by the Lessee, a voluntary transfer or other voluntary disposition by the Lessor or any transfer or disposition by the Lessor resulting from bankruptcy or other proceedings for relief of debtors in which the Lessor is the debtor, whether voluntary or involuntary, of any interest in the Unit

or the voluntary reduction by the Lessor of its interest in rentals from such Unit under the Lease; or

(iii) the failure of the Lessor to claim in a timely and proper manner (including all appropriate elections) on its income tax return for the appropriate years any credits or deductions contemplated by paragraph (a) of this Section 19; or

(iv) the failure of the Lessor to have sufficient Federal income tax liability against it to apply such credits or sufficient income to benefit from such depreciation; or

(v) any participation in the residual value of any Unit at the end of the term of this Lease by any party other than the Lessor.

(vi) the failure of the Lessor to take timely action in contesting a claim made by the Internal Revenue Service, but only if such action is required by the terms of Paragraph (d) of this Section 19; or

(vii) with respect to any Unit, any amendment to, or change in the Code or the income tax regulations thereunder, or published Revenue Rulings or Revenue Procedures that are controlling on the parties as a matter of law, enacted or promulgated and effective after August 15, 1978; or

(viii) any other action or omission of Lessor; or

(xi) any loss resulting from Lessor's election of a non-corporate form of property ownership Lessor so selects.

(d) Contest. In the event (i) Lessor proposes to make a payment to the Internal Revenue Service of a tax increase resulting from a Loss, (ii) the Lessor proposes to adjust its tax returns to reflect such a Loss, or (iii) a claim shall be made by the Internal Revenue Service with respect to the disallowance in whole or in part of benefits set forth in paragraph (a), the Lessor hereby agrees promptly to notify Lessee of such event and not to make payment of such tax and not to adjust its tax returns until the 30-day period referred to in (A) of the following sentence shall have expired. The Lessor agrees to take such action in connection with contesting such Loss, adjustment or claim as Lessee shall reasonably request

from time to time, provided that: (A) within thirty (30) days after receipt by Lessee of the notice of such event referred to above, Lessee shall have requested that the Lessor continue to claim the deduction being threatened or contest any such Loss, adjustment, claim or assertion of the Internal Revenue Service, (B) Lessee shall, if requested by the Lessor to do so, have furnished the Lessor with an opinion of independent tax counsel satisfactory to the Lessor after consultation with Lessee to the effect that a reasonable basis exists to contest the claim or assertion of the Internal Revenue Service and (C) Lessee shall have indemnified the Lessor in a manner satisfactory to Lessor for any liability or loss which the Lessor may incur as the result of continuing to claim the deduction being threatened or contesting such claim, and shall have agreed to pay the Lessor on demand all costs and expenses which the Lessor may have incurred in connection with continuing to claim such deduction or contesting such claim, including without limitation, (x) reasonable attorneys' and accountants' fees and disbursements, and (y) the amount of an interest or penalty which may ultimately be payable to the United States or any state as the result of contesting such claim. The Lessor, at its sole option, but after giving consideration to any recommendation by Lessee may forego any and all administrative appeals, proceedings, hearings and conferences with the Internal Revenue Service in respect of such Loss, adjustment or claim and may, at its option, either pay the tax claimed and sue for a refund, in the appropriate United States District Court and/or the United States Court of Claims, as the Lessor shall elect, or contest such claim in the Tax Court of the United States. If a refund of income tax with respect to a Unit is obtained with respect to a Loss and the semi-annual rental rate has been increased to reflect such Loss, the semi-annual rental rate applicable to such Unit shall, on and after the next succeeding semi-annual rental payment date, be reduced by such amount for such Unit which, in the reasonable opinion of the Lessor, will cause the Lessor's net return and after-tax cash flow over the term of the Lease in respect of such item to equal the net return and after-tax cash flow that would have been realized by the Lessor prior to such Loss and the Lessor shall forthwith pay to the Lessee any interest paid by the United States on any such refund. If the term of this Lease has expired or is insufficient to

permit Lessee to recover the amount of the reduction provided under the preceding sentence, the amount of such reduction shall forthwith be paid to the Lessee by the Lessor.

(e) Amount and Time of Indemnity. For purposes of this Section 19, a Loss shall occur ("Occurrence") upon the earliest of (i) the happening of any event (such as disposition or change in use of any Unit) which may cause such Loss, if Lessor is not otherwise compensated, (ii) the adjustment of current and future tax returns of Lessor to reflect a Loss as a result of a final unfavorable determination by an Agent (deemed to occur upon the issuance of a "Revenue Agents Report") which results in Lessor foregoing a refund that would otherwise be due, (iii) any other adjustment of the tax returns of Lessor as a result of a Loss for which Lessee has indemnified Lessor, if Lessee consents to such adjustment (which consent shall not be unreasonably withheld), (iv) the payment by the Lessor to the Internal Revenue Service of the tax increase resulting from such Loss. The amount of indemnity payable by Lessee pursuant to this Section 19 with respect to a Loss shall be such amount as will result, in the Lessor's reasonable judgment, after due consultation with Lessee, in preserving for the Lessor the after-tax rate of return and after-tax cash flow that would have been realized by the Lessor if such Loss had not occurred, based on the rates of Federal, state and local taxes on, based on, or measured by, net income from time to time but not more than such aftertax rate of return and after-tax cash flow that would have been realized on the basis and assumptions (including, without limitation, tax rates) used by the Lessor in originally evaluating this transaction. The Lessor shall furnish Lessee with a notice setting forth in reasonable detail the computations and methods used in computing such amounts of indemnity. Lessee shall pay to the Lessor a lump sum indemnity upon the Occurrence of a Loss which shall be equal to the amount of Loss, (A) with respect to a Loss described in clause (iii) of Paragraph (a) of this Section 19, and (B) with respect to any other Loss on or after the termination date of this Lease. Any other indemnity payable pursuant to this Section 19 shall be structured as level future rental increases over the remaining term of the Lease, and Lessee shall commence payment of such increased rental on the first rental payment date after the Occurrence of such Loss.

The amount of rental resulting from any one Loss shall be adjusted from time to time for each change in the Code and the income tax regulations (including, without limitation, tax rates) which affects the Lessor's net after-tax rate of return and after-tax cash flow but such adjustment shall not result in an after-tax rate of return and after-tax cash flow more than that contemplated by the Lessor in originally evaluating this transaction. The amount of each payment of indemnity payable pursuant to this Section 19 with respect to a Loss shall (A) reflect the amount of interest, additions to tax and penalties payable by the Lessor with respect to such Loss, and (B) reflect the amount of federal, state and local taxes on, based on, or measured by, net income, interest, additions to tax and penalties incurred by the Lessor as a result of the receipt of such indemnity payment. The extent and amount of Lessee's indemnity payments shall not be affected by the federal income tax treatment of Lessor as a life insurance company, or any change in such treatment.

(f) Adjustment of Stipulated Loss Values. In the event that Lessee shall be required to indemnify the Lessor pursuant to this Section 19 with respect to a Loss relating to a Unit or Units, the Stipulated Loss Value of such Unit or Units shall be appropriately adjusted.

(g) Change in Tax Law. If any amendment to the Code or income tax regulations (including without limitation, a change in tax rates) is made effective with respect to any Unit prior to the Closing Date for such Unit, and such amendment causes a change in the tax benefits contemplated by the Lessor then the rental rates specified in Section 4 of this Lease (and the Stipulated Loss Value percentages set forth in Annex C hereto) shall be increased or decreased as necessary so as to preserve the Lessor's net after-tax return and after-tax cash flow (computed on the same assumptions as were utilized by the Lessor and originally evaluated in this transaction) at the same level as if such tax benefits had not been changed. The adjustments to the amount of rentals under this Lease pursuant to this paragraph shall be made by the Lessor after due consultation with Lessee. In this connection, the Lessor shall provide Lessee with a schedule setting forth in reasonable detail the computations and methods used in computing such adjustment.

(h) Capital Expenditures. If at any time prior to the disposition of the Units in a taxable transaction, the Lessor is required by the Internal Revenue Service to include in its gross income for Federal, state or local income tax purposes, any amount in respect of or resulting from any alteration, modification, improvement or addition to the Units made by Lessee pursuant to this Lease (hereinafter called a "Capital Expenditure"), then Lessee shall pay to the Lessor, as an indemnity (i) such amount or amounts which, after deduction of all taxes required to be paid by the Lessor in respect of the receipt of such amounts under the laws of any Federal, state or local government taxing authority of the United States shall be equal to the sum of the aggregate additional Federal, state, or local income taxes payable by the Lessor from time to time as a result of any such Capital Expenditure (after taking into account the reduction, if any, in Federal income tax liability of the Lessor resulting from the deduction of the additional state and local income taxes payable as a result of any such Capital Expenditures) plus the difference between (x) the amount of any interest, penalties or additions to tax paid by the Lessor as a result of any such Capital Expenditure, and (y) the amount of any actual decrease in the Lessor's Federal, state or local income taxes caused by any allowable deduction from gross income resulting from such interest or penalty payments. The Lessor shall not be considered to have been required to include such Capital Expenditure in its gross income, until there has been an Occurrence as defined in paragraph (e). The Lessor shall claim in its tax returns or in timely claims for refunds such investment credits, deductions for depreciation and other tax credits, deductions or benefits with respect to a Capital Expenditure, as, in the opinion of tax counsel selected by the Lessor, may properly be claimed, and shall attempt to maximize such deductions, unless inconsistent with any other claim in the Lessor's income tax return for the same or any prior taxable year. Lessee agrees that, within ninety (90) days after the close of any calendar year in which Lessee has had Capital Expenditures, Lessee will give written notice thereof to the Lessor describing such Capital Expenditures in reasonable detail and specifying the cost thereof.

(20) Insurance. The Lessee will maintain, at its sole cost and expense, at all times during the term of this Lease

(and thereafter during the first three (3) month period in which the Units are being stored pursuant to Section 17 hereof), with reputable insurers acceptable to the Lessor, insurance in an amount not less than the Stipulated Loss Value of each Unit leased hereunder, insuring against loss and destruction of, and damage to, such Unit arising out of fire, windstorm, explosion, and all other hazards and risks ordinarily subject to extended coverage insurance, and against such other hazards and risks as are customarily insured against by companies owning or leasing property of a similar character and engaged in a business similar to that engaged in by Lessee with a deductible amount not in excess of deductibles for similar equipment then owned by Lessee. All such insurance policies shall (i) name the Lessor as additional insured, with losses to be payable to the Lessor, (ii) provide that the policies will not be invalidated as against the Lessor because of any violation of a condition or warranty of the policy or application therefor by Lessee, and (iii) provide that the policies may be materially altered or cancelled by the insurer only after thirty (30) days prior written notice to the Lessor. The Lessee shall deliver to the Lessor prior to the commencement of the lease term for any Unit (or at such other time or times as the Lessor may request) a certificate or other evidence of the maintenance of all such insurance satisfactory to the Lessor provided, however, that the Lessor shall be under no duty to examine such certificate or other evidence of insurance, or to advise the Lessee in the event that its insurance is not in compliance with this Lease. In the event of failure on the part of the Lessee to provide and furnish any of the aforesaid insurance, the Lessor may procure such insurance and the Lessee shall, upon demand, reimburse the Lessor for all expenditures made by the Lessor for such insurance, together with interest thereon computed at the maximum rate of interest permitted by law, but not more than 9-1/2% from the date of the Lessor's payment until reimbursed by the Lessee.

Lessee shall further maintain with reputable insurers acceptable to Lessor public liability and property damage insurance with respect to the Units in amounts satisfactory to Lessor. All such insurance policies shall (i) name the Lessor as additional insured as its interest may appear, (ii) provide that indemnification shall not be invalidated by any action or inaction of Lessee, and shall insure Lessor regardless of any breach or violation of any warranty, declaration or condition contained in such policies by Lessee, and (iii) provide that the policies may be materially

altered or cancelled by the insurer only after thirty (30) days prior written notice to the Lessor. Each liability policy shall be primary without right of contribution from any other insurance which is carried by Lessor and shall expressly provide that all of the limits thereof, except the limits of liability, shall operate in the same manner as if there were a separate policy covering each insured.

(21) Recording; Expenses. Prior to the delivery and acceptance hereunder of any Unit, the Lessee will cause this Lease to be filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act. The Lessee will also cause any Lease Assignment during the term hereof to be so filed and recorded. The Lessee will from time to time, do and perform any other act and will execute, acknowledge, deliver, file, register, record and deposit (and will refile, reregister, rerecord or redeposit whenever required) any and all further instruments required by law or reasonably requested by the Lessor for the purpose of proper protection, to the satisfaction of Lessor of the Lessor's title to the Equipment or for the purpose of carrying out the intention of this Lease. The Lessee will promptly furnish to the Lessor evidences of all such filing, registering, recording, depositing, refiling, reregistering, rerecording and/or redepositing, and an opinion or opinions of counsel for the Lessee with respect thereto satisfactory to the Lessor.

The Lessee will pay all reasonable costs and expenses of its counsel incident to this Lease, and any instrument supplemental or related hereto or thereto.

22. Interest on Overdue Rentals. Anything to the contrary herein contained notwithstanding, any nonpayment of rentals and other obligations due hereunder shall result in the obligation on the part of the Lessee promptly to pay also, to the extent legally enforceable, an amount equal to 12% per annum of the overdue rentals for the period of time during which they are overdue or such lesser amount as may be legally enforceable.

23. Notices. Any notice required or permitted to be given by either party hereto to the other shall be deemed to have been given when deposited in the United States certified mails, first-class postage prepaid, addressed as follows:

if to the Lessor,

Great American Life Insurance Company
6310 San Vincente Boulevard
Los Angeles, California 90058

Attention: President

with a copy to:

The Provident Bank
One East Fourth Street
Cincinnati, Ohio 45202

Attention: Robert C. Lintz

and

Messrs. Keating, Muething & Klekamp
1800 Provident Tower
One East Fourth Street
Cincinnati, Ohio 45202

Attention: Richard D. Siegel

and

Great American Management Services, Inc.
50 California Street, Suite 2250
San Francisco, California 94111

Attention: William C. Macdonald

if to the Lessee:

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

Attention: Vice President-Finance

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

24. Lessor's Right to Perform. If Lessee fails to make any payments required by this Lease, or to perform any of its other agreements contained herein, Lessor may itself, but shall not be required to, make any such payments or perform any such obligations. The amount of any such payment and Lessor's expenses, including (without limitation) reasonable legal fees and expenses in connection therewith and with such performance, shall thereupon be and become payable by Lessee to Lessor upon demand as additional rent hereunder.

25. Conditions to Lessor's Obligations.

(a) Lessor shall not be obligated hereunder unless on or before, but no more than five (5) days before, each Closing Date of Units under the Purchase Order Assignment;

(i) all of Lessee's representations and warranties in Section 18 of this Lease shall be true and correct as though made as of such date;

(ii) no litigation or governmental proceedings shall be threatened or pending against Lessee or any subsidiary which in Lessor's reasonable opinion will to a material extent adversely affect the financial condition or continued operation of Lessee and its subsidiaries on a consolidated basis;

(iii) no Event of Default, or event which might mature into an Event of Default, shall have occurred or be continuing hereunder;

(iv) Lessee shall have furnished to Lessor, in form and substance satisfactory to Lessor, the following on or prior to such date hereunder:

(A) resolutions of the Board of Directors of Lessee, certified by its Secretary or an Assistant Secretary, authorizing the lease of such Equipment hereunder and the execution, delivery and performance by Lessee of the Purchase Order Assignment and this Lease;

(B) a favorable opinion of counsel for Lessee, acceptable to Lessor, dated such date to the effect that:

(1) Lessee is a corporation duly organized and existing in good standing under the laws of the State of Delaware;

(2) Lessee is duly authorized to execute and deliver the Purchase Order Assignment and this Lease, and is duly authorized to lease Equipment hereunder and to perform its obligations hereunder and thereunder;

(3) the execution and delivery of the Purchase Order Assignment and this Lease by Lessee, and the performance by Lessee of its obligations hereunder and thereunder, do not and will not conflict with any provision of law or of the charter or by-laws of Lessee or of any indenture, mortgage, deed of trust or agreement or instrument binding upon Lessee or to which Lessee is a party;

(4) the execution, delivery and performance of the Purchase Order Assignment and this Lease by Lessee and the consummation by Lessee of the transactions contemplated hereby and thereby do not require the consent, approval or authorization of, or notice to, any Federal or state governmental authority or public regulatory body;

(5) the Purchase Order Assignment and this Lease are legal, valid and binding obligations of Lessee enforceable in accordance with their repective terms (except as may be affected by bankruptcy, reorganization, insolvency and similar laws affecting the rights of creditors generally);

(6) there are not to the knowledge of such counsel any pending or threatened actions or proceedings before any court or administrative agency which will, in the opinion of such counsel, to a material extent adversely affect the financial conditon or continued operation of Lessee and its subsidiaries on a consolidated basis;

(7) this Lease has been duly filed and recorded with the ICC pursuant to Section 20c of the Interstate Commerce Act, such filing and recording will protect Lessor's interests in and to the Units of Equipment, and no further filing or recording (or giving of notice) with any other

Federal, state or local government is necessary in order to protect the interests of Lessor in and to the Units;

(8) to the effect set forth in subparagraphs (h) through (j) of Section 18 hereof.

(C) an appraisal certificate (required with the the first payment request hereunder for Units) issued by F.E. Cunningham, an Assistant Vice President-Car of Lessee, to the effect that the Units of Equipment on the date of delivery thereof to Lessor will have an estimated useful life beyond the expiration of the original term of lease for such Units under this Lease equal to at least 25% of such original term, and an estimated fair market value at the end of such term of at least 20% of the Lessor's Purchase Price for such Units, without including in such fair market value any increase or decrease for inflation or deflation during such term of the Lease, and setting forth the manner in which such fair market value and useful life were determined; and

(b) As a further condition to Lessor's obligation hereunder, Lessee shall have furnished to Lessor, in form and substance satisfactory to Lessor, the following on or prior to each Closing Date:

(i) an invoice covering the Units of Equipment for which such payment is requested;

(ii) a Certificate of Acceptance signed by an officer of Lessee (as the authorized representative of Lessor hereunder) confirming delivery to, and acceptance by, Lessor of the Units of the Equipment for which such payment is requested;

(iii) a Certificate of Acceptance of Lessee covering the Units of Equipment for which such payment is requested;

(iv) an opinion of Lessee's counsel, satisfactory to Lessor, that acceptance by Lessor of the Units of Equipment for which such payment is requested and payment therefor by Lessor shall be effective to transfer to Lessor good title to such Units of Equipment, free of all claims, liens or encumbrances of any nature; and

(v) such other releases, financing statements, waivers and other documents as Lessor may reasonably request to insure that the Equipment will not be subject to any lien, charge, encumbrance, security interest or other similar interest.

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

This Lease exclusively and completely states the rights of the Lessor and the Lessee with respect to the leasing of the Units and supersedes all other agreements, oral or written, with respect thereto. No variation or modification of this Lease and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Lessor and the Lessee.

Whenever the term "Lessor" is issued in this Lease, it shall mean Great American Life Insurance Company, and any assignee, in whole or in part, of Lessor's rights hereunder, including any Secured Party.

27. Execution. This Lease may be executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument. To the extent, if any, that this Lease constitutes chattel paper (as such term is defined in the Uniform Commercial Code as in effect in any applicable jurisdiction) no security interest in this Lease may be created through the transfer or possession of any counterpart other than the original counterpart, which shall be identified as the counterpart containing the receipt therefor executed by the Lessor on the signature page thereof. Although for convenience this Lease is dated as of the date first above set forth, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

28. Law Governing. The terms of this Lease and all rights and obligations hereunder shall be governed by the laws of the State of Ohio; provided, however, that the parties shall be entitled to all rights conferred by Section

20c of the Interstate Commerce Act and such additional rights arising out of the filing, registering, recording or depositing hereof and of any assignment hereof or out of the marking on the Units as shall be conferred by the laws of the several jurisdictions in which this Lease or any assignment hereof shall be filed, registered, recorded or deposited and any rights arising out of the marking on the Units.

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

GREAT AMERICAN LIFE INSURANCE COMPANY

BY: _____
Assistant Treasurer

[Corporate Seal]

Attest:

_____
Secretary

CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY

BY: _____
Vice President

[Corporate Seal]

Attest:

_____
ASSISTANT Secretary

STATE OF OHIO)
: SS.
COUNTY OF HAMILTON)

BEFORE ME, the Subscriber, a Notary Public in and for said County and State, personally appeared Thomas Mischell, Asst Treasurer of Great American Life Insurance Company, the corporation which executed the foregoing instrument, who acknowledged he did sign said instrument as such officer on behalf of said corporation, and by authority of its Board of Directors, and that the execution of said instrument is his free and voluntary act and deed individually and as such officer, and the free and voluntary act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my Notarial Seal this 7th day of September, 1978.

Linda S. Weyler
Notary Public
LINDA S. WEYLER
Notary Public, State of Ohio
My Commission Expires June 1, 1983

STATE OF Ill.)
: SS.
COUNTY OF Cook)

BEFORE ME, the Subscriber, a Notary Public in and for said County and State, personally appeared J. M. BUTLER, Vice President of Chicago and North Western Transportation Company,

the corporation which executed the foregoing instrument, who acknowledged he did sign said instrument as such officer on behalf of said corporation, and by authority of its Board of Directors, and that the execution of said instrument is his free and voluntary act and deed individually and as such officer, and the free and voluntary act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my Notarial Seal this 7 day of September 1978.

Lee Swiontek
Notary Public

LEE SWIONTEK
Notary Public
Cook Co. Illinois
My Commission Expires Oct. 27, 1980

ANNEX A

Type	Builder and Location	Quantity	Lessee's Road No. (Inclusive)	Estimated Time of Delivery
100-Ton 60'9" Auto Parts Box Cars	Paccar, International Car Co. Division, Kenton, Ohio	25	C&NW 91625 through 91649	September-October 1978

ANNEX B

DELIVERY ACCEPTANCE

25 100-TON 60'9" AUTO PARTS BOX CARS

Great American Life Insurance Company, Owner

I, duly appointed and authorized representative for Great American Life Insurance Company and Chicago and North Western Transportation Company do hereby certify that I have accepted delivery under the Lease Agreement dated as of May 25, 1978 of the following items of equipment:

TYPE OF EQUIPMENT	100-Ton 60'9" Auto Parts Box Cars
DATES ACCEPTED:	
LOCATION:	
NUMBER OF UNITS	25
MANUFACTURER:	Paccar, International Car Division
LESSEE'S IDENTIFICATION MARKS	CNW 91625-91649, inclusive

Acceptance of the above-described Auto Parts Box Cars with all equipment installed thereon and documents included therein, pursuant to a certain Purchase Order Assignment to Great American Life Insurance Company, is hereby evidenced by execution of this Delivery Acceptance.

Sales and Use Tax Exemption--The undersigned hereby certifies that all the tangible personal property described herein is being purchased for it for use in the regular course of business, and is exempt under the laws of the State of

I do further certify that the foregoing item of equipment has been marked in accordance with Section 6 of the Lease.

By_____
Authorized Representative of
Great American Life Insurance
Company, Chicago and North
Western Transportation Company
and North Western Leasing
Company

CHICAGO AND NORTHWESTERN - AUTO PARTS BOX CARS

PROPOSED STIPULATED LOSS VALUES

ANNEX C

		%
On or before November 15, 1978		86.2666
Thereafter, But On or Before Rent Payment Date No.	1	88.3792
Thereafter, But On or Before Rent Payment Date No.	2	88.3289
Thereafter, But On or Before Rent Payment Date No.	3	88.0034
Thereafter, But On or Before Rent Payment Date No.	4	87.9110
Thereafter, But On or Before Rent Payment Date No.	5	87.6370
Thereafter, But On or Before Rent Payment Date No.	6	87.2137
Thereafter, But On or Before Rent Payment Date No.	7	86.6174
Thereafter, But On or Before Rent Payment Date No.	8	85.8658
Thereafter, But On or Before Rent Payment Date No.	9	84.9473
Thereafter, But On or Before Rent Payment Date No.	10	83.8826
Thereafter, But On or Before Rent Payment Date No.	11	82.6576
Thereafter, But On or Before Rent Payment Date No.	12	81.2959
Thereafter, But On or Before Rent Payment Date No.	13	79.7810
Thereafter, But On or Before Rent Payment Date No.	14	78.1395
Thereafter, But On or Before Rent Payment Date No.	15	76.3523
Thereafter, But On or Before Rent Payment Date No.	16	74.4491
Thereafter, But On or Before Rent Payment Date No.	17	72.4084
Thereafter, But On or Before Rent Payment Date No.	18	70.2628
Thereafter, But On or Before Rent Payment Date No.	19	67.9884
Thereafter, But On or Before Rent Payment Date No.	20	65.6209
Thereafter, But On or Before Rent Payment Date No.	21	63.3937
Thereafter, But On or Before Rent Payment Date No.	22	60.9956
Thereafter, But On or Before Rent Payment Date No.	23	58.4742
Thereafter, But On or Before Rent Payment Date No.	24	55.8234
Thereafter, But On or Before Rent Payment Date No.	25	53.0364

		%
Thereafter, But On or Before Rent Payment Date No.	26	50.1061
Thereafter, But On or Before Rent Payment Date No.	27	47.0254
Thereafter, But On or Before Rent Payment Date No.	28	43.7864
Thereafter, But On or Before Rent Payment Date No.	29	40.3810
Thereafter, But On or Before Rent Payment Date No.	30	36.9929
Thereafter, But On or Before Rent Payment Date No.	31	33.6704
Thereafter, But On or Before Rent Payment Date No.	32	30.2659
Thereafter, But On or Before Rent Payment Date No.	33	29.0277
Thereafter, But On or Before Rent Payment Date No.	34	27.8288
Thereafter, But On or Before Rent Payment Date No.	35	26.6126
Thereafter, But On or Before Rent Payment Date No.	36	25.2878
Thereafter, But On or Before Rent Payment Date No.	37	23.9282
Thereafter, But On or Before Rent Payment Date No.	38	22.5735
Thereafter, But On or Before Rent Payment Date No.	39	21.3359
Thereafter, But On or Before Rent Payment Date No.	40	20.0000
Thereafter		20.0000

TABLE 2

Anniversary of Delivery and Acceptance	%
Third	19.2308
Fifth	12.8206
Seventh	6.4103