CRAVATH, SWAINE & MOORE

ONE CHASE MANHATTAN PLAZA

NEW YORK, N.Y. 10005

212 HANOVER 2-3000

INTERNATIONAL TELEX: 620976

TELETYPE: 710-581-0338

FREE OPERATION BY

MAURICE T. MOORE
BRUCE BROMLEY
ALBERT R. CONNELLY
FRANK H. DETWEILER
GEORGE G. TYLER
WILLIAM B. MARSHALL
RALPH L. McAFEE
ROYALL VICTOR
ALLEN H. MERRILL
HENRY W. DE KOSMIAN
ALLEN F. MAULSBY
STEWARD R. BROSS, JR.
HENRY P. RIORDAN
JOHN R. HUPPER
SAMUEL C. BUTLER
WILLIAM J. SCHRENK, JR.
BENJAMIN F. CRANE
FRANCIS F. RANDOLPH, JR.
JOHN F. HUNT
GEORGE J. GILLESPIE, III
RICHARD S. SIMMONS
WAYNE E. CHAPMAN
THOMAS D. BARR
MELVIN L. BEDRICK

GEORGE T. LOWY
ROBERT ROSENMAN
JAMES H. DUFFY
ALAN J. HRUSKA
JOHN E. YOUNG
JAMES M. EDWARDS
DAVID G. ORMSBY
DAVID L. SCHWARTZ
RICHARD J. HIEGEL
FREDERICK [illegible]
CHRISTINE BESHAR
ROBERT S. RIFKIND
DAVID O. BROWN
PAUL M. DODYK
RICHARD M. ALLEN
THOMAS R. BROME
ROBERT [illegible]
ROBERT F. MULLEN
ALLEN FINKELSON
RONALD S. ROLFE
JOSEPH R. SAHID
PAUL C. SAUNDERS
MARTIN L. SENZEL

COUNSEL
ROSWELL L. GILPATRIC
CARLYLE E. MAW

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

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

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

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

RECORDATION NO. 9687 Filed & Recorded
SEP 11 1978 -4 40 PM
INTERSTATE COMMERCE COMMISSION

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SEP 11 1978 -4 40 PM
INTERSTATE COMMERCE COMMISSION

RECEIVED
SEP 11 4 10 PM '78
I.C.C.

Date SEP 11 1978
Fee $ 100

Washington, D. C

September 6, 1978

Trailer Train Company
Lease Financing Dated as of July 1, 1978
9-1/2% Conditional Sale Indebtedness Due 1994
Merrill Lynch Leasing Inc.

Dear Mr. Homme:

Pursuant to Section 20c of the Interstate Commerce Act and the Commission's rules and regulations thereunder, as amended, I enclose herewith on behalf of Trailer Train Company for filing and recordation counterparts of the following documents:

1(a) Conditional Sale Agreement dated as of July 1, 1978, among First Security State Bank, as Trustee, and Bethlehem Steel Corporation and Pullman Incorporated (Pullman Standard Division);

(b) Agreement and Assignment dated as of July 1, 1978, between each of Bethlehem Steel Corporation and Pullman Incorporated (Pullman Standard Division) and First Security Bank of Utah, N.A, as Agent; and

2(a) Lease of Railroad Equipment dated as of July 1, 1978, between Trailer Train Company and First Security State Bank, as Trustee;

(b) Assignment of Lease and Agreement dated as of

July 1, 1978, between First Security State Bank, as Trustee, and First Security Bank of Utah, N.A., as Agent.

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

(1) Assignee-Agent:

First Security Bank of Utah, N.A.
79 South Main Street
Salt Lake City, Utah 84111

(2) Trustee-Owner-Trustee:

First Security State Bank
79 South Main Street
Salt Lake City, Utah 84111

(3) Builders-Vendors:

Pullman Incorporated
(Pullman Standard Division)
200 South Michigan Avenue
Chicago, Illinois 60604

Bethlehem Steel Corporation
Bethlehem, Pennsylvania 18016

(4) Lessee:

Trailer Train Company
300 South Wacker Drive
Chicago, Illinois 60606

Please file and record the documents referred to in this letter and cross-index them under the names of the Assignee-Agent, the Trustee-Owner-Trustee, the Builders-Vendors, and the Lessee.

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

34 89'4" 70-ton capacity hydraulic draft gear, flush deck low level flat cars for auto rack service, bearing identifying numbers of the Lessee 853487 through 853520, both inclusive;

67 89'4" 70-ton hydraulic draft gear, flush deck, standard level flat cars for auto rack service, bearing identifying numbers of the Lessee 942633 through 942699, both inclusive;

203 89'4" 70-ton hydraulic draft gear, flush deck, all purpose cars, bearing identifying numbers of the Lessee 979415 through 979504, both inclusive; 979654 through 979743, both inclusive; 979767 through 979789, both inclusive.

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

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

Very truly yours,

David C. Spialter

David C. Spialter
As Agent for Trailer Train Company

H. G. Homme, Esq., Acting Secretary,
Interstate Commerce Commission,
Washington, D. C. 20423

Encls.

9

BY HAND

RECORDATION NO. 9687-C Filed & Recorded

SEP 11 1978 -4 40 PM

INTERSTATE COMMERCE COMMISSION

[CS&M Ref: 5237-006]

ASSIGNMENT OF LEASE AND AGREEMENT dated as of July 1, 1978 (this "Assignment"), by and between FIRST SECURITY STATE BANK, not in its individual capacity but solely as Trustee (hereinafter, together with its successors and assigns, called the "Owner-Trustee") acting under a Trust Agreement dated as of the date hereof (the "Owner's Trust"), with MERRILL LYNCH LEASING INC. (the "Owner") and FIRST SECURITY BANK OF UTAH, N.A., not in its individual capacity but solely as agent under the Participation Agreement (the "Agent") for certain institutional investors (hereinafter, together with their successors and assigns, called the "Investors") under a Participation Agreement dated as of the date hereof among the Owner-Trustee, the Owner, the Agent, the Investors and Trailer Train Company (the "Lessee").

WHEREAS the Owner-Trustee is entering into a Conditional Sale Agreement dated as of the date hereof (the "CSA") with Bethlehem Steel Corporation and Pullman Incorporated (Pullman Standard Division) (the "Builders"), providing for the sale to the Owner-Trustee of such of the units of railroad equipment to be acquired for the Owner (the "Units") described in the Annex B thereto as are delivered to and accepted by the Owner-Trustee thereunder and the CSA is being assigned to the Agent by the Builders;

WHEREAS the Owner-Trustee and the Lessee have entered into a Lease of Railroad Equipment dated as of the date hereof (hereinafter, together with the amendments and supplements thereto, being called the "Lease"), providing for the leasing by the Owner-Trustee to the Lessee of the Units; and

WHEREAS, in order to provide security for the obligations of the Owner-Trustee under the CSA and as an inducement to the Investors to invest in the CSA Indebtedness as defined in the CSA, the Owner-Trustee agrees to assign for security purposes its rights in, to and under the Lease to the Agent.

NOW, THEREFORE, in consideration of the payments to be made, the parties hereto agree as follows:

1. Subject to the provisions of Paragraph 10 hereof, the Owner-Trustee hereby assigns, transfers and sets over unto the Agent, as collateral security for the payment and performance of the Owner-Trustee's obligations under the CSA all the Owner-Trustee's right, title and interest, powers, privileges, and other benefits under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Owner-Trustee under or pursuant to the provisions of the Lease whether as rent, casualty payment, indemnity (except sums which by the express terms of the Lease are payable directly to the Owner or the Owner-Trustee pursuant to §§ 6 and 9 of the Lease), liquidated damages, or otherwise (such moneys being hereinafter called the "Payments"), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things whatsoever which the Owner-Trustee is or may become entitled to do under the Lease. In furtherance of the foregoing assignment, the Owner-Trustee hereby irrevocably authorizes and empowers the Agent in its own name, or in the name of its nominee, or in the name of the Owner-Trustee or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Owner-Trustee is or may become entitled under the Lease and to enforce compliance by the Lessee with all the terms and provisions thereof.

The Agent agrees to accept any Payments made by the Lessee for the account of the Owner-Trustee pursuant to the Lease and, to the extent received, the Agent will apply such Payments to satisfy the obligations of the Owner-Trustee under the CSA then due and payable, subject to the limitations contained in the last paragraph of Article 4 of the CSA, and any balance held by the Agent hereunder for the account of the Owner-Trustee shall be deemed to be held in trust for the Owner-Trustee and shall be paid immediately to and retained by the Owner-Trustee. The foregoing provision shall also be for the benefit of the Builders as third party beneficiaries. If the Agent shall not receive any rental payment under the first paragraph of § 3 of the Lease or any payment of Casualty Values under § 7 of the Lease when due, the Agent shall promptly notify the Owner-Trustee by telegraphic communication at the address set forth in the

Lease. Failure to so notify the Owner-Trustee shall not affect the rights and remedies of the Agent hereunder or under the CSA but the Agent (in its individual capacity) shall be liable to the Owner and the Owner-Trustee for damages, if any, arising from such failure.

2. This Assignment is executed only as security for the obligations of the Owner-Trustee under the CSA and, therefore, the execution and delivery of this Assignment shall not subject the Agent to, or transfer, or pass, or in any way affect or modify the liability of the Owner-Trustee under the Lease, it being agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of the Owner-Trustee to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Owner-Trustee or persons other than the Agent.

3. To protect the security afforded by this Assignment, the Owner-Trustee agrees as follows:

(a) The Owner-Trustee will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides are to be performed by the Owner-Trustee; without the written consent of the Agent, the Owner-Trustee will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee which are intended to satisfy the obligations of the Owner-Trustee under the CSA, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement so amending, modifying or terminating the Lease and the Owner-Trustee agrees that any such amendment, modification or termination thereof without such consent shall be void.

(b) Should the Owner-Trustee fail to make any payment or to do any act which this Assignment requires the Owner-Trustee to make or do, then the Agent, but without obligation so to do, after first making written demand upon the Owner-Trustee and affording the Owner-Trustee a reasonable period of time within which to make such payment or do such act, but without releasing the Owner-Trustee from any obligation hereunder, may

make or do the same in such manner and to such extent as the Agent may deem necessary to protect the security provided hereby, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof and the rights or powers of the Agent, and also the right to perform and discharge each and every obligation, covenant and agreement of the Owner-Trustee contained in the Lease; and in exercising any such powers, the Agent may pay necessary costs and expenses, employ counsel and incur and pay reasonable attorneys' fees, and the Owner-Trustee will reimburse the Agent for such costs, expenses and fees; provided, however, that the obligations of the Owner-Trustee to make reimbursements under this Paragraph 3 are subject to the last paragraph of Article 4 of the CSA.

4. Subject to the provisions of Paragraph 10 hereof, the Owner-Trustee does hereby constitute the Agent the Owner-Trustee's true and lawful attorney, irrevocably, with full power (in the name of the Owner-Trustee, or otherwise), to ask, require, demand, receive, compound and give acquittance for any and all Payments due and to become due under or arising out of the Lease to which the Owner-Trustee is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which the Agent may deem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all the Owner-Trustee's obligations under the CSA, this Assignment, and all rights herein assigned to the Agent in respect thereof shall terminate, and all estate, right, title and interest of the Agent in and to the Lease shall revert to the Owner-Trustee without further act or deed, but the Agent shall execute and deliver such documents as the Owner-Trustee may reasonably request in order to confirm, or make clear upon public records, such termination and/or reversion.

6. The Owner-Trustee will, from time to time, do and perform any other act and will execute, acknowledge and deliver any and all further instruments required by law or reasonably requested by the Agent in order to confirm or further assure, the interests of the Agent hereunder.

7. The Agent may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due; provided, however, that if no event of default or Event of Default, or any event which with lapse of time or notice or both would constitute such an event of default or Event of Default under the CSA or the Lease, as the case may be, has occurred and is then continuing, the Agent may only make such an assignment to a domestic bank, trust company or other lending institution with a combined capital and surplus of not less than $50,000,000. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Agent hereunder. The Agent will give written notice to the Owner-Trustee and the Lessee of any such assignment.

8. This Assignment shall be governed by the laws of the State of Utah, but the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

9. The Owner-Trustee shall cause copies of all notices received in connection with the Lease and all payments hereunder to be promptly delivered or made to the Agent at its address set forth in Article 20 of the CSA, or at such other address as the Agent shall designate.

10. The Agent hereby agrees with the Owner-Trustee that, so long as no event of default, or any event which with lapse of time or notice or both would constitute such an event of default, under the CSA has occurred and is then continuing, the Agent will not exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits assigned and transferred by the Owner-Trustee to the Agent by this Assignment, except the right to receive and apply the Payments as provided in Paragraph 1 hereof, and that, subject to the terms of the Lease and the CSA, the Owner-Trustee may, so long as no such event of default under the CSA has occurred and is then continuing, exercise or enforce, or seek to exercise or enforce, its rights, powers, privileges, and remedies arising out of subparagraph (a) of the first paragraph of § 10 of the Lease; provided, however, the Owner-Trustee shall not, without the prior written consent of the Agent, terminate the Lease or otherwise exercise or

enforce, or seek to exercise or enforce, any rights, powers, privileges and remedies arising out of subparagraph (b) of said § 10.

11. No recourse shall be had in respect of any obligation due under this Assignment, or referred to herein, against any incorporator, stockholder, director or officer, as such, past, present or future, of the Owner-Trustee, the Agent, any Investor or any Owner, whether by virtue of any constitutional provision, statute or rule of law or by enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitutional provision, statute or otherwise, of incorporators, stockholders, directors, officers, as such, or beneficiaries being forever released as a condition of and as consideration for the execution of this Assignment.

It is expressly agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, undertakings and agreements herein made on the part of the Owner-Trustee are each and every one of them made and intended not as personal representations, undertakings and agreements by First Security State Bank or for the purpose or with the intention of binding the said financial institution personally but are made and intended for the purpose of binding only the Owner's Trust and this Assignment is executed and delivered by the Owner-Trustee solely in the exercise of the powers expressly conferred upon the Owner-Trustee under the Trust Agreement; and that no personal liability or responsibility is assumed by or shall at any time be asserted or enforceable against the said financial institution or the Owner on account of any representation, undertaking or agreement hereunder of said financial institution, acting in its capacity as Owner-Trustee or the Owner, either expressed or implied, except for their respective obligations under the proviso to the last paragraph of Article 12 of the CSA and subparagraph (b) of the third paragraph of Article 4 of the CSA; all such personal liability, if any, being expressly waived and released by the Agent and by all persons claiming by, through or under the Agent; provided, however, that the Agent or any person claiming by, through or under the Agent, making claim hereunder, may look to the Owner's Trust for satisfaction of the same.

IN WITNESS WHEREOF, the parties hereto have caused

this instrument to be executed in their respective corporate names, by officers thereunto duly authorized, and their respective corporate seals to be affixed and duly attested, all as of the date first above written.

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

Attest:

by

_____
Authorized Officer

_____
Authorized Officer

FIRST SECURITY BANK OF UTAH, N.A., not in its individual capacity, but solely as Agent,

[SEAL]

by

Attest:

_____
Authorized Officer

_____
Authorized Officer

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

On this day of September 1978, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY STATE BANK, that one of the seals affixed to the foregoing instrument is the corporate seal of said Bank and that said instrument was signed and sealed on behalf of said Bank by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Bank.

_____
Notary Public

[NOTARIAL SEAL]

My Commission Expires

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

On this day of September 1978, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY BANK OF UTAH, N.A., that one of the seals affixed to the foregoing instrument is the seal of said national banking association and that said instrument was signed and sealed on behalf of said national banking association by authority of its By-laws and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national banking association.

_____
Notary Public

[NOTARIAL SEAL]

My Commission Expires

LESSEE'S CONSENT AND AGREEMENT

The undersigned, a corporation duly incorporated under the laws of the State of Delaware, the Lessee named in the Lease (the "Lease") referred to in the foregoing Assignment of Lease and Agreement (the "Assignment"), hereby acknowledges receipt of a copy of the Assignment, consents to all the terms and conditions of the Assignment and agrees as follows:

(1) subject to the terms and conditions of the Assignment, to pay all rentals, casualty payments, liquidated damages, indemnities and other moneys provided for in the Lease and assigned to the Agent by the Assignment (which moneys are hereinafter called the "Payments") due and to become due to the Owner-Trustee under the Lease leased thereunder, directly to the First Security Bank of Utah, N.A., as agent (the "Agent") under the Participation Agreement referred to in the Assignment, to be applied as provided in the Assignment, to its address at 79 South Main Street, Salt Lake City, Utah 84111, attention of Trust Division, Corporate Trust Department (or to such other address as may be furnished in writing to the undersigned by the Agent);

(2) agrees, subject to the terms and conditions of the Assignment, that the Agent shall be entitled to the benefits of, and to receive and enforce performance of, all of the covenants to be performed by the undersigned under the Lease as though the Agent were named therein as the Owner-Trustee;

(3) agrees that the Agent shall not, by virtue of the Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise;

(4) agrees that the Lease shall not, without the prior written consent of the Agent, be amended, terminated or modified, or any action be taken or omitted by the undersigned, the taking or omission of which might result in any alteration or impairment of the obligations of the Lessee under the Lease which are intended to satisfy the obligations of the Owner-Trustee under the CSA, the obligations of the Owner-Trustee,

under the Assignment or the obligations of the Lessee under this Consent and Agreement or of any of the rights created by any thereof; and

(5) will (i) execute, deliver and/or furnish all notices, certificates, communications, instruments, agreements, legal opinions and other documents and papers required to be executed, delivered and/or furnished by it (or its counsel) pursuant to the Participation Agreement and the exhibits thereto and (ii) do all such acts and execute and deliver all such further assurances required to be done and/or executed and delivered by it pursuant to the provisions of any thereof.

This Agreement may be executed in several counterparts, each of which when so executed shall be deemed an original, and such counterparts together shall constitute one and the same instrument.

This Consent and Agreement, when accepted by the Agent by signing the acceptance at the foot hereof, shall be deemed to be a contract under the laws of the State of Illinois and, for all purposes, shall be construed in accordance with the laws of said State.

Dated as of July 1, 1978

TRAILER TRAIN COMPANY,

[CORPORATE SEAL]

by

Vice President--Finance
~~and Treasurer~~

Attest:

T. D. Marion
Assistant Secretary

Accepted:

FIRST SECURITY BANK OF UTAH, N.A., not in its individual capacity, but solely as agent under the Participation Agreement referred to above,

[SEAL]

by

Authorized Officer

Attest:

Authorized Officer

[CS&M Ref: 5237-006]

ASSIGNMENT OF LEASE AND AGREEMENT dated as of July 1, 1978 (this "Assignment"), by and between FIRST SECURITY STATE BANK, not in its individual capacity but solely as Trustee (hereinafter, together with its successors and assigns, called the "Owner-Trustee") acting under a Trust Agreement dated as of the date hereof (the "Owner's Trust"), with MERRILL LYNCH LEASING INC. (the "Owner") and FIRST SECURITY BANK OF UTAH, N.A., not in its individual capacity but solely as agent under the Participation Agreement (the "Agent") for certain institutional investors (hereinafter, together with their successors and assigns, called the "Investors") under a Participation Agreement dated as of the date hereof among the Owner-Trustee, the Owner, the Agent, the Investors and Trailer Train Company (the "Lessee").

WHEREAS the Owner-Trustee is entering into a Conditional Sale Agreement dated as of the date hereof (the "CSA") with Bethlehem Steel Corporation and Pullman Incorporated (Pullman Standard Division) (the "Builders"), providing for the sale to the Owner-Trustee of such of the units of railroad equipment to be acquired for the Owner (the "Units") described in the Annex B thereto as are delivered to and accepted by the Owner-Trustee thereunder and the CSA is being assigned to the Agent by the Builders;

WHEREAS the Owner-Trustee and the Lessee have entered into a Lease of Railroad Equipment dated as of the date hereof (hereinafter, together with the amendments and supplements thereto, being called the "Lease"), providing for the leasing by the Owner-Trustee to the Lessee of the Units; and

WHEREAS, in order to provide security for the obligations of the Owner-Trustee under the CSA and as an inducement to the Investors to invest in the CSA Indebtedness as defined in the CSA, the Owner-Trustee agrees to assign for security purposes its rights in, to and under the Lease to the Agent.

NOW, THEREFORE, in consideration of the payments to be made, the parties hereto agree as follows:

1. Subject to the provisions of Paragraph 10 hereof, the Owner-Trustee hereby assigns, transfers and sets over unto the Agent, as collateral security for the payment and performance of the Owner-Trustee's obligations under the CSA all the Owner-Trustee's right, title and interest, powers, privileges, and other benefits under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Owner-Trustee under or pursuant to the provisions of the Lease whether as rent, casualty payment, indemnity (except sums which by the express terms of the Lease are payable directly to the Owner or the Owner-Trustee pursuant to §§ 6 and 9 of the Lease), liquidated damages, or otherwise (such moneys being hereinafter called the "Payments"), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things whatsoever which the Owner-Trustee is or may become entitled to do under the Lease. In furtherance of the foregoing assignment, the Owner-Trustee hereby irrevocably authorizes and empowers the Agent in its own name, or in the name of its nominee, or in the name of the Owner-Trustee or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Owner-Trustee is or may become entitled under the Lease and to enforce compliance by the Lessee with all the terms and provisions thereof.

The Agent agrees to accept any Payments made by the Lessee for the account of the Owner-Trustee pursuant to the Lease and, to the extent received, the Agent will apply such Payments to satisfy the obligations of the Owner-Trustee under the CSA then due and payable, subject to the limitations contained in the last paragraph of Article 4 of the CSA, and any balance held by the Agent hereunder for the account of the Owner-Trustee shall be deemed to be held in trust for the Owner-Trustee and shall be paid immediately to and retained by the Owner-Trustee. The foregoing provision shall also be for the benefit of the Builders as third party beneficiaries. If the Agent shall not receive any rental payment under the first paragraph of § 3 of the Lease or any payment of Casualty Values under § 7 of the Lease when due, the Agent shall promptly notify the Owner-Trustee by telegraphic communication at the address set forth in the

Lease. Failure to so notify the Owner-Trustee shall not affect the rights and remedies of the Agent hereunder or under the CSA but the Agent (in its individual capacity) shall be liable to the Owner and the Owner-Trustee for damages, if any, arising from such failure.

2. This Assignment is executed only as security for the obligations of the Owner-Trustee under the CSA and, therefore, the execution and delivery of this Assignment shall not subject the Agent to, or transfer, or pass, or in any way affect or modify the liability of the Owner-Trustee under the Lease, it being agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of the Owner-Trustee to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Owner-Trustee or persons other than the Agent.

3. To protect the security afforded by this Assignment, the Owner-Trustee agrees as follows:

(a) The Owner-Trustee will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides are to be performed by the Owner-Trustee; without the written consent of the Agent, the Owner-Trustee will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee which are intended to satisfy the obligations of the Owner-Trustee under the CSA, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement so amending, modifying or terminating the Lease and the Owner-Trustee agrees that any such amendment, modification or termination thereof without such consent shall be void.

(b) Should the Owner-Trustee fail to make any payment or to do any act which this Assignment requires the Owner-Trustee to make or do, then the Agent, but without obligation so to do, after first making written demand upon the Owner-Trustee and affording the Owner-Trustee a reasonable period of time within which to make such payment or do such act, but without releasing the Owner-Trustee from any obligation hereunder, may

make or do the same in such manner and to such extent as the Agent may deem necessary to protect the security provided hereby, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof and the rights or powers of the Agent, and also the right to perform and discharge each and every obligation, covenant and agreement of the Owner-Trustee contained in the Lease; and in exercising any such powers, the Agent may pay necessary costs and expenses, employ counsel and incur and pay reasonable attorneys' fees, and the Owner-Trustee will reimburse the Agent for such costs, expenses and fees; provided, however, that the obligations of the Owner-Trustee to make reimbursements under this Paragraph 3 are subject to the last paragraph of Article 4 of the CSA.

4. Subject to the provisions of Paragraph 10 hereof, the Owner-Trustee does hereby constitute the Agent the Owner-Trustee's true and lawful attorney, irrevocably, with full power (in the name of the Owner-Trustee, or otherwise), to ask, require, demand, receive, compound and give acquittance for any and all Payments due and to become due under or arising out of the Lease to which the Owner-Trustee is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which the Agent may deem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all the Owner-Trustee's obligations under the CSA, this Assignment, and all rights herein assigned to the Agent in respect thereof shall terminate, and all estate, right, title and interest of the Agent in and to the Lease shall revert to the Owner-Trustee without further act or deed, but the Agent shall execute and deliver such documents as the Owner-Trustee may reasonably request in order to confirm, or make clear upon public records, such termination and/or reversion.

6. The Owner-Trustee will, from time to time, do and perform any other act and will execute, acknowledge and deliver any and all further instruments required by law or reasonably requested by the Agent in order to confirm or further assure, the interests of the Agent hereunder.

7. The Agent may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due; provided, however, that if no event of default or Event of Default, or any event which with lapse of time or notice or both would constitute such an event of default or Event of Default under the CSA or the Lease, as the case may be, has occurred and is then continuing, the Agent may only make such an assignment to a domestic bank, trust company or other lending institution with a combined capital and surplus of not less than $50,000,000. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Agent hereunder. The Agent will give written notice to the Owner-Trustee and the Lessee of any such assignment.

8. This Assignment shall be governed by the laws of the State of Utah, but the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

9. The Owner-Trustee shall cause copies of all notices received in connection with the Lease and all payments hereunder to be promptly delivered or made to the Agent at its address set forth in Article 20 of the CSA, or at such other address as the Agent shall designate.

10. The Agent hereby agrees with the Owner-Trustee that, so long as no event of default, or any event which with lapse of time or notice or both would constitute such an event of default, under the CSA has occurred and is then continuing, the Agent will not exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits assigned and transferred by the Owner-Trustee to the Agent by this Assignment, except the right to receive and apply the Payments as provided in Paragraph 1 hereof, and that, subject to the terms of the Lease and the CSA, the Owner-Trustee may, so long as no such event of default under the CSA has occurred and is then continuing, exercise or enforce, or seek to exercise or enforce, its rights, powers, privileges, and remedies arising out of subparagraph (a) of the first paragraph of § 10 of the Lease; provided, however, the Owner-Trustee shall not, without the prior written consent of the Agent, terminate the Lease or otherwise exercise or

enforce, or seek to exercise or enforce, any rights, powers, privileges and remedies arising out of subparagraph (b) of said § 10.

11. No recourse shall be had in respect of any obligation due under this Assignment, or referred to herein, against any incorporator, stockholder, director or officer, as such, past, present or future, of the Owner-Trustee, the Agent, any Investor or any Owner, whether by virtue of any constitutional provision, statute or rule of law or by enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitutional provision, statute or otherwise, of incorporators, stockholders, directors, officers, as such, or beneficiaries being forever released as a condition of and as consideration for the execution of this Assignment.

It is expressly agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, undertakings and agreements herein made on the part of the Owner-Trustee are each and every one of them made and intended not as personal representations, undertakings and agreements by First Security State Bank or for the purpose or with the intention of binding the said financial institution personally but are made and intended for the purpose of binding only the Owner's Trust and this Assignment is executed and delivered by the Owner-Trustee solely in the exercise of the powers expressly conferred upon the Owner-Trustee under the Trust Agreement; and that no personal liability or responsibility is assumed by or shall at any time be asserted or enforceable against the said financial institution or the Owner on account of any representation, undertaking or agreement hereunder of said financial institution, acting in its capacity as Owner-Trustee or the Owner, either expressed or implied, except for their respective obligations under the proviso to the last paragraph of Article 12 of the CSA and subparagraph (b) of the third paragraph of Article 4 of the CSA; all such personal liability, if any, being expressly waived and released by the Agent and by all persons claiming by, through or under the Agent; provided, however, that the Agent or any person claiming by, through or under the Agent, making claim hereunder, may look to the Owner's Trust for satisfaction of the same.

IN WITNESS WHEREOF, the parties hereto have caused

this instrument to be executed in their respective corporate names, by officers thereunto duly authorized, and their respective corporate seals to be affixed and duly attested, all as of the date first above written.

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

by

Authorized Officer

Attest:

Authorized Officer

FIRST SECURITY BANK OF UTAH, N.A., not in its individual capacity, but solely as Agent,

by

Authorized Officer

[SEAL]

Attest:

Authorized Officer

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

On this 7 day of September 1978, before me personally appeared WILLIAM C. McGREGOR to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY STATE BANK, that one of the seals affixed to the foregoing instrument is the corporate seal of said Bank and that said instrument was signed and sealed on behalf of said Bank by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Bank.

Verna L McCora
Notary Public

[NOTARIAL SEAL]

My Commission Expires 11-15-81

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

On this 7 day of September 1978, before me personally appeared Jackie B Eicher, to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY BANK OF UTAH, N.A., that one of the seals affixed to the foregoing instrument is the seal of said national banking association and that said instrument was signed and sealed on behalf of said national banking association by authority of its By-laws and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national banking association.

Verna L McCora
Notary Public

[NOTARIAL SEAL]

My Commission Expires 11-15-81

LESSEE'S CONSENT AND AGREEMENT

The undersigned, a corporation duly incorporated under the laws of the State of Delaware, the Lessee named in the Lease (the "Lease") referred to in the foregoing Assignment of Lease and Agreement (the "Assignment"), hereby acknowledges receipt of a copy of the Assignment, consents to all the terms and conditions of the Assignment and agrees as follows:

(1) subject to the terms and conditions of the Assignment, to pay all rentals, casualty payments, liquidated damages, indemnities and other moneys provided for in the Lease and assigned to the Agent by the Assignment (which moneys are hereinafter called the "Payments") due and to become due to the Owner-Trustee under the Lease leased thereunder, directly to the First Security Bank of Utah, N.A., as agent (the "Agent") under the Participation Agreement referred to in the Assignment, to be applied as provided in the Assignment, to its address at 79 South Main Street, Salt Lake City, Utah 84111, attention of Trust Division, Corporate Trust Department (or to such other address as may be furnished in writing to the undersigned by the Agent);

(2) agrees, subject to the terms and conditions of the Assignment, that the Agent shall be entitled to the benefits of, and to receive and enforce performance of, all of the covenants to be performed by the undersigned under the Lease as though the Agent were named therein as the Owner-Trustee;

(3) agrees that the Agent shall not, by virtue of the Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise;

(4) agrees that the Lease shall not, without the prior written consent of the Agent, be amended, terminated or modified, or any action be taken or omitted by the undersigned, the taking or omission of which might result in any alteration or impairment of the obligations of the Lessee under the Lease which are intended to satisfy the obligations of the Owner-Trustee under the CSA, the obligations of the Owner-Trustee,

under the Assignment or the obligations of the Lessee under this Consent and Agreement or of any of the rights created by any thereof; and

(5) will (i) execute, deliver and/or furnish all notices, certificates, communications, instruments, agreements, legal opinions and other documents and papers required to be executed, delivered and/or furnished by it (or its counsel) pursuant to the Participation Agreement and the exhibits thereto and (ii) do all such acts and execute and deliver all such further assurances required to be done and/or executed and delivered by it pursuant to the provisions of any thereof.

This Agreement may be executed in several counterparts, each of which when so executed shall be deemed an original, and such counterparts together shall constitute one and the same instrument.

This Consent and Agreement, when accepted by the Agent by signing the acceptance at the foot hereof, shall be deemed to be a contract under the laws of the State of Illinois and, for all purposes, shall be construed in accordance with the laws of said State.

Dated as of July 1, 1978

TRAILER TRAIN COMPANY,

[CORPORATE SEAL]

by

Attest:

Vice President--Finance and Treasurer

Assistant Secretary

Accepted:

FIRST SECURITY BANK OF UTAH, N.A., not in its individual capacity, but solely as agent under the Participation Agreement referred to above,

[SEAL]

by

Authorized Officer

Attest:

Authorized Officer