



OCT 13 1977
FEE OF \$50.00

9035
RECORDATION NO. Filed & Recorded
OCT 13 1977 -9 15 AM
INTERSTATE COMMERCE COMMISSION

Grand Trunk Western Railroad Co
131 West Lafayette Blvd.
Detroit, MI 48226
962-2260

October 10, 1977
7-286A011

Secretary
Interstate Commerce Commission
Washington, D.C. 20423

OCT 13 1977
Date
Fee \$ 50

Gentlemen:

Enclosed for recordation under Section 20c of the Interstate Commerce Act are four counterparts of a bailment agreement, dated as of August 1, 1977 between Thrall Car Manufacturing Company as bailor and Grand Trunk Western Railroad Company as bailee.

The addresses of the parties to said agreement are:

Thrall Car Manufacturing Company
P.O. Box 218
Chicago Heights, Illinois 60411

Grand Trunk Western Railroad Company
131 West Lafayette Boulevard
Detroit, Michigan 48226

The equipment covered by said agreement is 100 enclosed bi-level auto racks, bearing Grand Trunk Western Railroad Company road numbers GTW 504000 through 540099 and with the legend "Ownership subject to a security agreement filed under the Interstate Commerce Act, Section 20c" stenciled or to be stenciled on each unit.

Enclosed is our check for \$50 for the required recordation fee. Please accept for recordation two counterparts of the enclosed agreement, stamp the remaining

Secretary
October 10, 1977
Page 2

counterparts with your recordation number and return them to
Mary P. Sclawy, 131 West Lafayette Boulevard, Detroit,
Michigan 48226. An addressed envelope is enclosed for your
convenience.

Sincerely,

GRAND TRUNK WESTERN RAILROAD CO.

By 
Its Treasurer

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INTERSTATE COMMERCE COMMISSION

AGREEMENT

Dated as of August 1, 1977

between

THRALL CAR MANUFACTURING COMPANY

and

GRAND TRUNK WESTERN RAILROAD COMPANY

Covering

100 Enclosed Bi-Level Auto Racks

THIS AGREEMENT, effective as of August 1, 1977, by and between Thrall Car Manufacturing Company, a corporation (Manufacturer), and Grand Trunk Western Railroad Co. (GT), a Michigan corporation;

W I T N E S S E T H:

The Manufacturer and GT heretofore entered into a Letter Agreement dated March 15, 1977 (a copy of which Letter Agreement is made a part hereof by reference), and such addenda thereto and modifications thereof as may have been or may be agreed upon in writing between the Manufacturer and GT whereunder the Manufacturer agreed to construct at its Chicago Heights, Illinois plant and to deliver to GT thereat or at such other point or points as directed by GT, and GT agreed to accept and pay for 100 Enclosed bi-level auto racks to bear GT road numbers 504000-504099, inclusive (Units).

GT intends to finance the purchase of the Units from the Manufacturer pursuant to conditional sale agreement & assignment, expected to be executed on or before October 19, 1977, but deliveries of the Units are scheduled to begin on or about August 1, 1977, and GT will not have established said conditional sale arrangement by that time nor be in a position to take such deliveries thereunder. GT represents that such conditional sale arrangement will be established, however, on or before October 19, 1977. GT, in order that it may use the Units pending establishment of such conditional sale arrangement, has arranged with the Manufacturer to give it temporary custody

and possession of the Units upon their completion, solely as a bailee of the Units, and the Manufacturer is willing to do so upon the terms and conditions hereinafter stated.

In consideration of the premises, the Manufacturer hereby delivers to GT and GT hereby accepts from the Manufacturer the Units as of the date each of them is delivered to GT, at Chicago Heights, Illinois, or such other point or points as may be directed by GT for the period ending on the earlier of October 19, 1977, or the date of establishment of said conditional sale arrangement. On such termination date, this agreement shall automatically be cancelled and superseded without further action by or notice to any party concerned.

Upon delivery of each Unit to the delivery point, GT's representative will execute a certificate of acceptance acknowledging the receipt of delivery of such Unit under this agreement. Title to the Units shall remain in the Manufacturer and GT's right and interest therein is and shall be solely that of possession, custody and use as bailee under this agreement. Transfer of title shall be effected only at the time of the delivery of bills of sale. GT, without expense to the Manufacturer, will promptly cause this agreement to be filed with the Interstate Commerce Commission for recordation under Section 20c of the Interstate Commerce Act. In addition, GT shall do such other acts as may be required by law, or reasonably requested by the Manufacturer, for the protection of the Manufacturer's title to and interest in the Units.

GT agrees that it will permit no liens of any kind to attach to the Units; and that it will

- (a) indemnify and save harmless the Manufacturer from any and all claims, expenses or liabilities of whatsoever kind, and
- (b) pay any and all taxes, fines, charges and penalties that may accrue or be assessed or imposed upon the Units or the Manufacturer, because of the Manufacturer's ownership or because of the use, operation, management or handling of the Units by GT during the term of this agreement. GT's obligations contained in this paragraph shall survive the termination of this agreement.

GT will, at its own expense, keep and maintain the Units in good order and running condition and will at its option repair or replace or promptly pay to Manufacturer the purchase price in cash of those Units which may be damaged or destroyed by any cause during the term of this agreement.

Prior to the delivery of each Unit to GT under this agreement it will be numbered with a road number as hereinbefore indicated, and as soon as possible thereafter, if not done prior to delivery, there shall be plainly, distinctly, permanently and conspicuously stencilled upon each side of each Unit, in contemplation of said conditional sale arrangement, the following legend in letters not less than one inch in height:

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

In case, during the continuance of this agreement, such markings shall at any time be removed, defaced or destroyed on any Units, GT shall immediately cause the same to be restored or replaced.

All or any of the rights, benefits or advantages of the Manufacturer, including the right to receive the purchase price of the Units as provided in the Letter Agreement(s), may be assigned by the Manufacturer and reassigned by any assignee at any time or from time to time, provided, however, that no such assignment shall subject any such assignee to any of the Manufacturer's warranties, indemnities or any other obligations contained in this agreement or in the Letter Agreement(s), relating to the Units. In the event the Manufacturer assigns its rights to receive the payments herein and/or under the Letter Agreement(s), and GT receives written notice thereof from the Manufacturer, together with a counterpart of such assignment stating the identity and the post office address of the assignee, all payments thereafter to be made by GT under this assignment, shall, to the extent so assigned, be made to the assignee against proper receipt therefor in form satisfactory to GT.

In the event of any assignment by the Manufacturer of its rights to receive any payments under this agreement or under the Letter Agreement(s), the rights of such assignee to such payments as may be assigned together with any other rights hereunder which can be and are so assigned, shall not be subject to any defense, set-off, counterclaim or recoupment whatsoever arising out of any breach of any obligation of the Manufacturer in respect to the Units, nor subject to any defense, set-off, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to GT by the Manufacturer. Any and

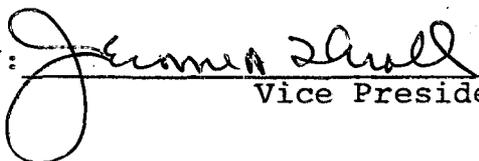
all such obligations, howsoever arising, shall be and remain enforceable by GT, its successors and assigns only against the Manufacturer and its successors and assigns (other than assignees as such of rights, benefits or advantages assigned pursuant to this agreement).

GT agrees with the Manufacturer that the execution by the Manufacturer of this agreement or the delivery by the Manufacturer to GT of the Units, as contemplated by this agreement, shall not relieve GT of its obligation to accept, take and pay for the Units in accordance with the terms of the Letter Agreement(s), or impair any of the Manufacturer's rights under the Letter Agreement(s).

Attest:

THRALL CAR MANUFACTURING COMPANY


Assistant Secretary

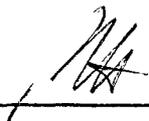
BY: 
Vice President

Attest:

GRAND TRUNK WESTERN RAILROAD CO.



SECRETARY

BY: 
Vice President

STATE OF ILLINOIS))
) SS:
COUNTY OF Cook)

On this *4th* day of *October*, 1977, before me personally appeared *Warren A. Thrall* to me personally known, who, being by me duly sworn, says that he is a *Vice President* of Thrall Manufacturing Company, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Senna R. Cruz

MY COMMISSION EXPIRES JANUARY 11, 1981

STATE OF MICHIGAN))
) SS:
COUNTY OF WAYNE)

On this *28th* day of *September* 1977, before me personally appeared P. E. Tatro, to me personally known, who, being by me duly sworn, says that he is a Vice President of Grand Trunk Western Railroad Company, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

J. A. Brewer

J. A. BREWER
Notary Public, Wayne County, Mich.
My Commission Expires Feb. 6, 1978

