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SEP 2 1974

INTERSTATE COMMERCE COMMISSION
CONDITIONAL SALE AGREEMENT

Dated as of September 1, 1974

Among

PROFESSIONAL LEASE MANAGEMENT, INC.

as Vendor - Lessor

BORG-WARNER EQUITIES CORPORATION

as Vendee - Lessee

and

**CHICAGO AND NORTH WESTERN
TRANSPORTATION COMPANY**

as Guarantor

Rider consisting of ONE (1) pages attached to and made a part of Lease dated
July 12, 1973 by and between United States Railway Leasing
Company ("United") and Tropicana Products Sales, Inc. ("Lessee").

If at the expiration of the original term of this lease there shall be no occurrence or condition which constitutes or with the passage of time or the giving of notice or both would constitute an event of default, lessee, may, upon prior written notice to United not less than 90 days prior to the expiration of the original term of this lease, extend the term of this lease for an additional five year period. The rental per car per month during the extended term shall be the rental in effect as at the expiration of the original term adjusted as provided in Paragraph 6 (b) of the lease. All the remaining terms, conditions and provisions of the lease shall remain in full force and effect during the extended term. Notwithstanding Lessee's exercise of the option to extend the term of this lease, this lease shall terminate upon the expiration of the original term hereof as provided in Paragraph 5 of the lease if United shall give Lessee written notice of United's intention to have the lease so terminate within 10 days after United shall have received written notice of the exercise by Lessee of the option to extend.

Lessee

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United

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Attachments to Conditional Sale Agreement

Schedule A—Description of Equipment

CONDITIONAL SALE AGREEMENT

CONDITIONAL SALE AGREEMENT, dated as of September 1, 1974 among PROFESSIONAL LEASE MANAGEMENT, INC. a California corporation ("Vendor"), BORG-WARNER EQUITIES CORPORATION, a Delaware corporation, ("Vendee"), and CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY, a Delaware corporation ("Guarantor").

WHEREAS, the Vendor is willing to sell and deliver to the Vendee, and the Vendee is willing to purchase, the railroad equipment described in Schedule A attached hereto (collectively the "Equipment" and individually an "Item" or "Item of Equipment"); and

WHEREAS, the Vendee is entering into a lease in respect of the Equipment dated as of the date hereof with the Guarantor, subject to this Agreement, substantially in the form attached as Exhibit C to the Acquisition Agreement referred to below (the "Lease"), and the Guarantor is willing to guarantee to the Vendor the due and punctual payment of all sums payable by, and the due and punctual performance of all other obligations of, the Vendee under this Agreement and has joined in this Agreement for the purpose of setting forth the terms and conditions of such guaranty and making certain further agreements as hereinafter set forth; and

WHEREAS, the Vendor, the Vendee and the Guarantor have entered into an Acquisition Agreement dated as of the date hereof relating to the acquisition of the Equipment (the "Acquisition Agreement");

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto agree as follows:

SECTION 1. CONSTRUCTION AND SALE.

The Vendor will sell and deliver to the Vendee, and the Vendee will purchase from the Vendor and accept delivery of and pay for as hereinafter provided, the Equipment, each Item of which shall be constructed in accordance with the applicable specifications referred to in Schedule A hereto, with such modifications thereof as may be agreed upon in writing by the Vendee, the Guarantor and the Vendor (which specifications and modifications, if any, are hereinafter called the "Specifications"). The design and quality of equipment and material in such Items shall conform to all Department of Transportation requirements and specifications for new equipment, and to all standards recommended by the Association of American Railroads, interpreted as being applicable to new railroad equipment of the character of such Items as of the date of this Agreement.

SECTION 2. DELIVERY.

2.1. The Vendor will deliver the various Items of Equipment to the Vendee at the place and in accordance with Section 2.4 hereof and the applicable delivery schedule set forth in Schedule A hereto; provided, however, that the Vendor shall have no obligation to deliver any Item of Equipment hereunder subsequent to the filing by or against the Guarantor of a petition for reorganization under Section 77 of the Bankruptcy Act.

2.2. The Vendor's obligation as to time of delivery is subject, however, to delays resulting from causes beyond the Vendor's reasonable control, including, but not limited to, failure of the manufacturer of the Equipment to sell and deliver the same to the Vendor, acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riots or civil commotion, sabotage, strikes, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities, or delays in receiving necessary materials.

2.3. Notwithstanding the foregoing provisions, the Vendee shall not be obligated hereunder to purchase, accept and pay for any Equipment not delivered and accepted on or before the outside delivery date provided therefor in Schedule A hereto. Any Equipment not so

delivered and accepted, as well as any Items of Equipment which are delivered and accepted as provided herein, but for which the Vendee is relieved of any obligation to make any payment therefor pursuant to Section 3 of the Acquisition Agreement, shall be excluded from this Agreement and not included in the term "Equipment" as used in this Agreement. In the event any Item of Equipment shall be excluded from this Conditional Sale Agreement, the Guarantor shall be obligated to accept such Item and pay the full Purchase Price to the Vendor if and when such Item shall be delivered to the Guarantor by the Vendor, such payment to be made in cash on the later of (i) the date of delivery thereof, and (ii) the Closing Date (as hereinafter defined).

2.4. Acceptance of any Item of Equipment by the Guarantor under the Lease shall be deemed to be acceptance of such Item of Equipment by the Vendee, and the Guarantor agrees to furnish the Certificate of Acceptance (as defined in the Lease) with respect to such Item in such number of counterparts as may be reasonably requested.

2.5. The Vendor shall bear the risk of loss of each Item of Equipment or damage thereto until delivery to and acceptance by the Guarantor. Upon delivery and acceptance by the Guarantor of any Item of Equipment the Vendee, subject to the limitations set forth in Section 14 hereof, shall bear the risk of loss of or damage to such Item.

SECTION 3. PURCHASE PRICE AND PAYMENT.

3.1. The base price per Item of Equipment, including freight charges, if any, to place of delivery, but exclusive of interest, insurance and all other charges, is as set forth in Schedule A hereto. The base price for each Item of Equipment shall be subject to increase or decrease as hereinafter provided. The term "Purchase Price" as used herein with respect to any Item of Equipment shall mean the lower of (i) the base price of such Item, as so increased or decreased, calculated by adding the sum of \$550 to the manufacturer's invoice price to the Vendor for such Item, and (ii) \$25,142.85.

3.2. For the purpose of making settlement for the Equipment, all Items of Equipment shall be treated as one group.

3.3. Subject to the provisions of Section 14 hereof, the Vendee hereby acknowledges itself to be indebted to the Vendor in the amount of and hereby promises to pay to the Vendor at such bank or trust company in the United States of America as the Vendor or its assignee shall designate for payment to it, the Purchase Price of the Items of Equipment as follows:

(a) On the Closing Date an amount equal to 30.00% of the aggregate Purchase Price for all Items of Equipment; and

(b) an amount equal to the difference between the aggregate Purchase Price of the Equipment and the aggregate amount paid pursuant to subparagraph (a) of this Section 3.3 (such difference being herein sometimes called the "Conditional Sale Indebtedness") plus interest on the unpaid balance thereof payable as follows:

(1) One installment of interest only for the period from and including the Closing Date to but not including January 15, 1975, payable on January 15, 1975, at the rates of interest for the respective proportions of the Conditional Sale Indebtedness determined as follows:

(A) For an amount equal to 69.6970% of the Conditional Sale Indebtedness, interest shall be determined at the rate of 10.75% per annum and

(B) for an amount equal to 30.3030% of the Conditional Sale Indebtedness, interest shall be determined daily at the rate per annum equal to 110% of the prime rate of interest charged by The First National Bank of Chicago to its largest and most credit worthy commercial borrowers on 90-day commercial loans, followed by

(2) Thirty substantially equal semiannual installments, including both principal and interest at the rate of 10.75% per annum, payable on July 15, 1975 and on the 15th day of each January and July thereafter to and including January 15, 1990.

3.4. The obligations of the Vendee under this Agreement to accept delivery of and to pay for any Items of Equipment shall, in addition to any conditions herein set forth, be subject to the satisfaction of the conditions set forth in Section 3 of the Acquisition Agreement. The payment by the Vendee on the Closing Date of the amount referred to in subparagraph (a) of the preceding Section 3.3 shall be conclusive evidence of such satisfaction.

3.5. The term "Closing Date" shall mean such date following presentation by the Vendor to the Guarantor of the invoice, or invoices, and the Certificate or Certificates of Acceptance with respect to the Equipment, as shall be fixed by the Guarantor by written or telegraphic notice delivered to the Vendee, the Vendor and any assignee thereof at least 15 business days prior to the Closing Date designated therein; provided, however, that the Closing Date shall not be so designated by the Guarantor prior to the 30th day following the delivery and acceptance by the Guarantor under the Lease of the last Item of Equipment.

3.6. The term "business days" as used herein means calendar days, excluding Saturdays, Sundays and holidays on which banks in the States of Illinois and Minnesota are authorized or required to close.

3.7. Interest under this Agreement shall be determined on the basis of a 360-day year of twelve 30-day months.

3.8. Subject to the limitations set forth in Section 14 hereof, the Vendee will pay interest at the rate of 11.75% per annum upon all unpaid balances of indebtedness and (to the extent legally enforceable) upon interest, after the same shall have become due and payable pursuant to the terms hereof, anything herein to the contrary notwithstanding.

3.9. All payments provided for in this Agreement shall be made by the Vendee in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

3.10. Except as provided in Section 6.1 hereof, the Vendee shall not have the privilege of prepaying any installment of the Conditional Sale Indebtedness prior to the date it becomes due hereunder.

SECTION 4. TITLE TO THE EQUIPMENT.

4.1. The Vendor shall and hereby does retain the full security title to and property in the Equipment until the Vendee shall have made all of the payments hereunder and shall have kept and performed all its agreements herein contained, notwithstanding the delivery of the Equipment to and the possession and use thereof by the Vendee or the Guarantor as herein provided. Any and all additions to the Equipment and any and all replacements of the Equipment and of parts thereof and additions thereto (other than an addition to any Item of Equipment by the Guarantor, the cost of which is not included in the Purchase Price of such Item and which is not required for the operation or the use of such Item by the Interstate Commerce Commission, the Department of Transportation or any other regulatory body) shall constitute accessions to the Equipment and shall be subject to all terms and conditions of this Agreement and included in the term "Equipment" as used in this Agreement.

4.2. When and only when the Vendor shall have been paid the full indebtedness in respect of the Purchase Price of the Equipment, together with interest and all other payments as herein provided and all the Vendee's other obligations herein contained shall have been performed,

absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Vendee without further transfer or action on the part of the Vendor, except that the Vendor, if requested by the Vendee so to do, will execute a bill or bills of sale of the Equipment releasing its security title thereto and property therein to the Vendee or upon its order free of all liens and encumbrances created or retained hereby and deliver such bill or bills of sale to the Vendee at its address specified in Section 20 hereof, and will execute in the same manner and deliver at the same place, for filing, registering, recording or depositing in all necessary public offices, such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the title of the Vendee to the Equipment, and will pay to the Vendee any money paid to the Vendor, pursuant to Section 6.1 hereof and not theretofore applied as therein provided. The Vendee hereby waives and releases any and all rights, existing or that may be acquired, in or to the payment of any penalty, forfeit or damages for failure to execute and deliver such bill or bills of sale or to file any certificate of payment in compliance with any law or statute requiring the filing of the same, except for failure to execute and deliver such bill or bills of sale to file such certificate within a reasonable time after written demand by the Vendee.

SECTION 5. MARKING OF EQUIPMENT.

The Guarantor shall keep each Item of Equipment marked as contemplated by Section 4 of the Lease.

SECTION 6. CASUALTY OCCURRENCES.

6.1. In the event that any Item of Equipment shall be or become lost, stolen, destroyed, or, in the reasonable opinion of the Guarantor, irreparably damaged, or shall be requisitioned or taken over by any governmental authority under the power of eminent domain or otherwise (each such occurrence, except for any requisition which by its terms is indefinite or does not exceed the original term of the Lease, being hereinafter called a "Casualty Occurrence"), prior to the payment of the indebtedness in respect of the Purchase Price of such Item, together with interest thereon and all other payments required hereby, the Vendee shall promptly (after it has knowledge of such Casualty Occurrence) and fully inform the Vendor in regard thereto. When any Item of Equipment suffers a Casualty Occurrence the Vendee, on the date of payment of the next succeeding installment of principal and interest on such indebtedness, shall pay to the Vendor the Casualty Payment (as defined in Section 6.4 hereof) of such Item as of the date of such payment. Each such payment shall be accompanied by notification from the Vendee that said payment constitutes a Casualty Payment.

6.2. The Vendor shall, immediately upon receipt thereof, apply the money deposited pursuant to Section 6.1 to the prepayment of the indebtedness in respect of the Purchase Price of the Item of Equipment having suffered the Casualty Occurrence, plus interest then accrued on the portion thereof so prepaid, but without premium. The semiannual payments of the indebtedness in respect of the Purchase Price of the remaining Equipment and interest thereon, becoming due thereafter shall be redetermined on the basis of the amount of such indebtedness remaining unpaid and on the basis of the number of semiannual payments remaining immediately after such application.

6.3. Upon payment to the Vendor of the Casualty Payment in respect of an Item of Equipment having suffered a Casualty Occurrence, absolute right to the possession of, title to and property in such Item shall automatically pass to and vest in the Vendee without further transfer or action on the part of the Vendor, and the Vendor agrees to execute a bill of sale and to take such further action with respect to such Item, all as provided in Section 4.2 hereof.

6.4. The payment to be made to the Vendor in respect of each Item of Equipment having suffered a Casualty Occurrence (the "Casualty Payment") shall be that portion of the original Purchase Price for said Item remaining unpaid on the date as of which such Casualty Payment shall be determined, plus interest accrued thereon but unpaid as of such date.

6.5. In the event that prior to the expiration of the original term of the Lease, the use of any Item of Equipment is requisitioned or taken by any governmental authority under the power of eminent domain or otherwise for an indefinite period or for a stated period ending on or before said date, the Vendee's duty to pay the indebtedness in respect of the purchase price thereof shall continue for the duration of such requisitioning or taking. The Vendee shall be entitled to receive and retain for its own account all sums payable for any such period by such governmental authority as compensation for requisition or taking of possession.

SECTION 7. OBLIGATIONS OF GUARANTOR.

7.1. The Guarantor, for value received, hereby unconditionally guarantees to the Vendor the due and punctual payment of that portion of the Purchase Price of the Equipment payable pursuant to Section 3.3(b) hereof and interest thereon, and the due and punctual performance of all obligations of the Vendee under this Agreement and unconditionally guarantees to the Vendor that all sums payable by the Vendee under this Agreement (including, but not limited to, all sums payable by the Vendee with respect to the Purchase Price of the Equipment except for the sums payable by the Vendee pursuant to Section 3.3(a) hereof) will be promptly paid when due in accordance with the provisions of this Agreement, together with interest thereon as herein provided, whether at stated maturity or by declaration or otherwise, and in case of default by the Vendee in any such obligations or payment the Guarantor agrees punctually to perform or pay the same, irrespective of any enforcement against the Vendee of any of the rights of the Vendor hereunder.

7.2. The Guarantor hereby agrees that its obligations hereunder shall be unconditional, irrespective of the validity, regularity or enforceability of this Agreement or any other circumstances which might otherwise constitute a legal or equitable discharge of a surety or guarantor or limit the recourse of the Vendor against the Vendee. The Guarantor hereby waives diligence, presentment, demand for payment, protest, any notice of any assignment hereof in whole or in part or of any default hereunder and all notices with respect to this Agreement and all demands whatsoever hereunder. No waiver by the Vendor of any of its rights hereunder and no action by the Vendor to enforce any of its rights hereunder or failure to take, or delay in taking, any such action shall affect the obligations of the Guarantor hereunder.

Without limitation to anything otherwise provided in this Section 7, the Guarantor agrees that the Vendor need not, prior to the enforcement of any of its rights against the Guarantor hereunder, take any action to enforce any of its rights or remedies against the Vendee or to proceed against, or in any manner realize benefits from, the Equipment.

7.3. The Guarantor hereby covenants and agrees with the Vendor, for the benefit of the Vendor, faithfully to observe all the terms, covenants and conditions set forth in the Lease and to perform all obligations of the Guarantor thereunder, it being agreed that the undertakings of the Guarantor pursuant to the Lease shall be deemed a part of this Agreement with the same force and effect as if set forth herein in full. The obligations of the Guarantor under the provisions of the preceding sentence shall not be affected by any termination of the Lease or the invalidity thereof, as between the Vendee and the Guarantor, for any reason but shall continue as though the Lease continued in full force and effect until the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon, shall have been paid in full.

7.4. The Guarantor agrees that, at its own cost and expense, it will maintain and keep each Item of Equipment in good order, condition and repair, ordinary wear and tear excepted. The Guarantor agrees that during the period that any portion of the indebtedness in respect of the Purchase Price of the Equipment remains outstanding and unpaid, the Guarantor will not assign any Item of Equipment to service involving the regular operation or maintenance thereof outside the United States of America.

7.5. The Guarantor agrees that any insurance maintained pursuant to the Lease shall include among the named beneficiaries the Vendee and the Vendor, or its assignee, as their respective interests may appear.

7.6. In the event that the Guarantor shall make any payments to the Vendor on account of its guaranty hereunder, the Guarantor hereby covenants and agrees that it shall not acquire any rights, by subrogation or otherwise, against the Vendee or with respect to any of the Items of Equipment by reason of such payments, all such rights being hereby irrevocably released, discharged and waived by the Guarantor; provided, however, that after the payment by the Guarantor to the Vendor of all sums payable under this Agreement, the Guarantor shall, by subrogation, be entitled to the rights of the Vendor against the Vendee by reason of such payment, to the extent, but only to the extent, that the Vendee has received income and proceeds from the Equipment and has not applied such funds to the payment in accordance with this Agreement, of sums payable by the Vendee to the Vendor hereunder.

SECTION 8. REPORTS AND INSPECTIONS.

On or before May 1 in each year, commencing with the year 1975, the Guarantor will furnish to the Vendor, concurrently with the transmission thereof to the Vendee, copies of each and every report or statement to be furnished to the Vendee by the Guarantor pursuant to Section 12 of the Lease. The Vendor shall have the right, by its agents, to inspect the Equipment and records of the Vendee and the Guarantor with respect thereto once in every year.

SECTION 9. POSSESSION AND USE.

9.1. The Vendee, so long as it shall not be in default under this Agreement, shall be entitled, from and after delivery of the Equipment by the Vendor to the Vendee, to the possession of the Equipment and the use thereof upon and subject to all the terms and conditions of this Agreement.

9.2. Without limiting any of the rights of the Vendee under Section 13 hereof, the Vendee may lease the Equipment to the Guarantor or its assigns as permitted by, and for use as provided in, Section 17 of the Lease, provided, however, and the Guarantor hereby acknowledges, that the rights of the Guarantor and its permitted assigns under the Lease are subordinate and junior in rank to the rights, and are subject to the remedies, of the Vendor under this Agreement; provided, further, that so long as the Guarantor shall not be in default under this Agreement in its capacity as guarantor or otherwise, or under the Lease, the Guarantor shall be entitled to the possession and use of the Equipment in accordance with the terms of this Agreement and the Lease. A copy of any such assignment by the Guarantor shall be furnished to the Vendor. Subject always to the provisions of Section 16 of the Lease the Vendee hereby agrees that it will not exercise any of the remedies provided in Section 14 of the Lease unless it shall notify the Vendor in writing of its intended exercise thereof, and hereby further agrees to furnish to the Vendor, at its written request, copies of all summons, writs, processes and other documents served by it upon the Guarantor or served by the Guarantor upon it in connection therewith.

SECTION 10. PROHIBITION AGAINST LIENS.

10.1. The Vendee will pay or satisfy and discharge any and all sums claimed by any party by, through or under the Vendee or its successors or assigns which, if unpaid, might become a lien or a charge upon any Item of Equipment (other than the rights of the Guarantor) equal or superior to the security title of the Vendor, but shall not be required to pay or discharge any such claim so long as the validity thereof shall be contested by the Vendee in good faith and by appropriate legal proceedings in any reasonable manner and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor hereunder.

10.2. This covenant will not be deemed breached by reason of liens for taxes, assessments or governmental charges or levies, in each case not due and delinquent, or undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or other like liens arising in the ordinary course of business and, in each case, not delinquent.

SECTION 11. INDEMNITIES.

11.1. The Guarantor agrees to indemnify, protect and hold harmless the Vendor from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including counsel fees, arising out of retention by the Vendor of security title to the Equipment, or out of the use and operation thereof during the period when security title thereto remains in the Vendor, and also agrees that the Vendor shall be entitled to the benefit and protection of all indemnities of the Guarantor contained in the Lease to the same extent and with the same force and effect as if said indemnities were set forth herein in full and the Vendor were expressly named in the Lease as one of the parties entitled to the benefit and protection thereof. This covenant of indemnity shall continue in full force and effect notwithstanding the full payment of the indebtedness in respect of the Purchase Price of the Equipment and the conveyance of the Equipment, as provided in Section 4.2 hereof, or the termination of this Agreement in any manner whatsoever.

11.2. As between the Vendor and the Vendee, the Vendee, after delivery to and acceptance by the Guarantor pursuant to Section 2.5 hereof, will bear the risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of any Item of or all the Equipment.

11.3. The Vendor hereby assigns to the Vendee and its respective successors and assigns, each and all of its rights against the manufacturer of the Equipment insofar as such rights arise out of any or all warranties, express or implied, with respect to the Equipment, and the Vendor hereby appoints and constitutes the Vendee its agent and attorney-in-fact during the term of this Agreement, so long as the Vendee is not in default hereunder, to assert and enforce, from time to time in the name and for the account of the Vendor and the Vendee, as their interests may appear, in all cases at the sole cost and expense of the Vendee, whatever claims and rights the Vendor may have against said manufacturer thereof upon said warranties; it being understood, however, that said assignment and appointment are not exclusive, that the Vendee shall not have the sole right to assert and enforce such claims and rights in respect of such warranties and that the Vendor has concurrently with such assignment and appointment, similarly assigned such claims and rights to the assignee of its right, title and interest under this Agreement and appointed such assignee its agent and attorney-in-fact to assert and enforce such claims and rights for its benefit as well. **THE ASSIGNMENT PROVIDED FOR IN THIS SECTION 11.3 IS EXPRESSLY IN LIEU OF, AND THE VENDOR HEREBY EXPRESSLY DISCLAIMS ANY LIABILITY UNDER, ANY WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND OF ALL OTHER OBLIGATIONS OR LIABILITIES ON THE PART**

OF THE VENDOR, EXCEPT FOR ITS OBLIGATIONS HEREUNDER AS LIMITED HEREBY, AND THE VENDOR DOES NOT ASSUME OR AUTHORIZE ANY PERSON TO ASSUME FOR IT ANY OTHER LIABILITY IN CONNECTION WITH THE DELIVERY OF THE EQUIPMENT. IN NO EVENT SHALL THE VENDOR BE LIABLE FOR DAMAGES, INCLUDING, WITHOUT LIMITATION, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR COMMERCIAL LOSS.

SECTION 12. ASSIGNMENT OF PATENT INDEMNITIES.

The Vendor hereby assigns to the Vendee and its respective successors and assigns, each and all of its rights against the manufacturer of the Equipment insofar as such rights arise out of any or all indemnities with respect to the Equipment for violations of patents or similar rights, and the Vendor hereby appoints and constitutes the Vendee its agent and attorney-in-fact during the term of this Agreement so long as the Vendee is not in default hereunder, to assert and enforce, from time to time in the name and for the account of the Vendor and the Vendee, as their interests may appear, in all cases at the sole cost and expense of the Vendee, whatever claims and rights the Vendor may have against said manufacturer thereof upon said indemnities; it being understood, however, that said assignment and appointment are not exclusive, that the Vendee shall not have the sole right to assert and enforce such claims and rights in respect of such indemnities and that the Vendor has concurrently with such assignment and appointment, similarly assigned such claims and rights to the assignee of its right, title and interest under this Agreement and appointed such assignee its agent and attorney-in-fact to assert and enforce such claims and rights for its benefit as well.

SECTION 13. ASSIGNMENTS.

13.1. The Vendee will not sell, assign, transfer or otherwise dispose of its rights under this Agreement or, except as provided in Section 9.2 hereof, transfer the right to possession of any Item of Equipment without first obtaining the written consent of the Vendor, which consent shall not be unreasonably withheld. No such sale, assignment or transfer shall subject the Vendor to any duties, obligations or liabilities whatsoever.

13.2. All or any of the rights, benefits and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Vendee and the benefits arising from the undertakings of the Guarantor hereunder, may be assigned by the Vendor and reassigned by an assignee at any time or from time to time. No such assignment shall subject any assignee to, or relieve the Vendor from, any of the obligations of the Vendor to deliver the Equipment in accordance with the provisions hereof or relieve the Vendee or the Guarantor of their respective obligations to the Vendor hereunder.

13.3. Upon any such assignment either the assignor or the assignee shall give written notice to the Vendee and the Guarantor, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall, by virtue of such assignment, acquire all of the Vendor's right, security title and interest in and to the Equipment, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Vendee and the Guarantor, respectively, of the notification of any such assignment, all payments thereafter to be made by the Vendee or the Guarantor hereunder shall, to the extent so assigned, be made to the assignee at the address of the assignee specified in the aforesaid notice.

13.4. The Vendee and the Guarantor recognize that it is the custom of railroad equipment manufacturers or sellers to assign agreements of this character and understand that the assignment of this Agreement, or of some or all of the rights of the Vendor hereunder, is contemplated. The Vendee and the Guarantor expressly represent, for the purpose of assurance

to any person, firm or corporation considering the acquisition of this Agreement or of all or any of the rights of the Vendor hereunder, and for the purpose of inducing such acquisition, that in the event of such assignment by the Vendor as hereinbefore provided the rights of such assignee to the entire unpaid indebtedness in respect of the Purchase Price of the Equipment or such part thereof as may be assigned, together with interest thereon, as well as any other rights hereunder which may be 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 Vendor with respect to the Equipment or the delivery or warranty thereof, or with respect to any indemnity herein contained, 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 the Vendee or the Guarantor by the Vendor or the manufacturer of the Equipment.

13.5. In the event of any such assignment or successive assignments by the Vendor of security title to the Equipment and of the Vendor's rights hereunder with respect thereto, the Vendee will, whenever requested by such assignee, change the names and word or words to be marked on each side of each Item of Equipment or, in the event such Item shall then be leased to the Guarantor, the Guarantor shall change the names and word or words to be marked on each side of such Item, so as to indicate the security title of such assignee to the Equipment with such names and word or words as shall be specified by such assignee, subject to the requirements of the laws of the jurisdictions in which the Equipment shall be operated relating to such names and word or words for use on equipment covered by conditional sale agreements with respect to railroad equipment. The cost of marking such names and word or words with respect to the first assignee of this Agreement, (or to a successor agent or trustee in case the first assignee is an agent or trustee) and with respect to the Vendee shall be borne by the Vendee. The cost of marking such names and word or words in connection with any subsequent assignment (other than to a successor agent or trustee if the first assignee is an agent or trustee) will be borne by the subsequent assignee.

13.6. In the event of any such assignment prior to the completion of delivery of the Equipment, the Vendee and the Guarantor will, in connection with settlement for the Equipment, deliver to the assignee, at the time of delivery by the Guarantor of notice fixing the Closing Date, all documents reasonably required by the terms of such assignment to be delivered by the Vendee and the Guarantor, respectively, to the assignee in connection with such settlement, in such number of counterparts as may reasonably be requested.

13.7. If for any reason on the Closing Date the Vendor shall not receive the Purchase Price in respect of any Item of Equipment, the Vendor will promptly notify the Vendee and the Guarantor of such event and, if such amount shall not have been previously paid, the parties hereto will, upon the request of the Vendor, enter into an appropriate written agreement with the Vendor excluding from this Agreement those Items of Equipment whose aggregate purchase price shall not have been so received and thereupon the term Equipment shall mean those Items of Equipment not so excluded from this Conditional Sale Agreement. In the event any Item of Equipment shall be so excluded from this Conditional Sale Agreement, the Guarantor shall be obligated to accept such Item and pay the full Purchase Price thereof to the Vendor if and when such Item shall be delivered by the Vendor, such payment to be made in cash on the later of (i) the date of delivery thereof, and (ii) the Closing Date.

SECTION 14. LIMITATION OF VENDEE'S OBLIGATIONS.

Notwithstanding any other provision of this Agreement, it is understood and agreed by the Vendor that all amounts payable by the Vendee under and pursuant to this Agreement, except only those amounts payable under Section 3.3(a) hereof, shall be payable only from and out of the income and proceeds from Equipment, the Lease and the sums payable thereunder and the

obligation of the Guarantor hereunder; and the Vendor agrees that it will look solely to the Equipment, the Lease and the Guarantor and that it shall have no claim or right to proceed against the Vendee in its individual corporate capacity, or any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of, the Vendee. The Vendor by the acceptance of this Agreement waives and releases the liability of the Vendee in its individual corporate capacity, and any incorporator or any past, present or future subscriber to the capital stock, or stockholder, officer or director of the Vendee, and agrees to look solely to the Equipment and its rights under this Agreement, the sums due and to become due under the Lease and the obligation of the Guarantor hereunder, for the payment of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon and all other payments and obligations as herein provided. However, nothing herein contained shall limit, restrict or impair the right of the Vendor to proceed against the Guarantor hereunder, to accelerate the payment of the indebtedness in respect of the Purchase Price of the Equipment upon a default hereunder or to exercise the remedies hereunder or otherwise realize upon the Equipment or the sums due or to become due under the Lease, including the right to proceed against the Lessee under the Lease.

SECTION 15. DEFAULTS.

15.1. In the event that any one or more of the following events of default ("Events of Default") shall occur and be continuing, to-wit:

(a) The Vendee or the Guarantor shall fail to pay in full any sum payable by the Vendee or the Guarantor, respectively, when payment thereof shall be due under Section 3, 6 or 7 hereof and such default shall continue for five days; or

(b) The Vendee or the Guarantor shall fail or refuse to comply with any covenant, agreement, term or provision of this Agreement on its part to be kept and performed or to make provision satisfactory to the Vendor for such compliance for more than 30 days after written notice from the Vendor specifying the default and demanding the same to be remedied; or

(c) The Vendee shall make or suffer any unauthorized assignment or transfer of this Agreement or any interest herein or any unauthorized transfer of the right to possession of any Item of the Equipment; or

(d) A petition for reorganization under Section 77 of the Bankruptcy Act, as now constituted or as said Section 77 may be hereafter amended, shall be filed by or against the Guarantor 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 Guarantor under this Agreement shall not have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed in such proceedings in such manner that such obligations shall have the same status as obligations incurred by such a trustee or trustees within 30 days after such appointment or 60 days after such petition shall have been filed, whichever shall be earlier, or

(e) Any other proceedings shall be commenced by or against the Vendee or the Guarantor for any relief 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 readjustment of the indebtedness payable 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 Vendee or the Guarantor under this Agreement shall not have been duly assumed in writing, pursuant

to a court order or decree, by a trustee or trustees or receiver or receivers appointed for the Vendee or the Guarantor or for the property of the Vendee or the Guarantor 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 30 days after such appointment or 60 days after such proceedings shall have been commenced, whichever shall be earlier; or

(f) An Event of Default shall have occurred and be continuing under the Lease; then at any time after the occurrence and during the continuance of such an Event of Default the Vendor may, upon written notice to the Vendee and the Guarantor and upon compliance with any legal requirements then in force and applicable to such action by the Vendor, but without prejudice to any rights of the Vendee under the Lease with respect to any default thereunder, cause the Lease immediately upon such notice to terminate as to the Equipment and/or declare the entire indebtedness in respect of the Purchase Price of the Equipment, together with the interest thereon then accrued and unpaid, immediately due and payable, without further demand, and thereafter the aggregate of the unpaid balance of such indebtedness and interest shall bear interest from the date of such declaration at the rate of 11.75% per annum, to the extent legally enforceable, and the Vendor shall thereupon be entitled, subject to the provisions and limitations of Section 14 hereof, to recover judgment for the entire unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment so payable, with interest as aforesaid, and to collect such judgment out of any property of the Guarantor wherever situated or out of property of the Vendee subject to the provisions and limitations of Section 14 hereof. When any Event of Default has, to the knowledge of the Vendee or Guarantor, occurred, the Vendee and Guarantor each agree to give notice thereof within three (3) business days thereafter to the Vendor.

15.2. The Vendor may waive any such Event of Default and its consequences and rescind and annul any such declaration by notice to the Vendee and the Guarantor in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such default had existed and no such declaration had been made. With respect to any termination of the Lease by the Vendor, the aforesaid waiver, rescission and annulment shall be deemed made, and the Lease shall be deemed not to have been terminated, if the Vendee within 30 days after receiving written notice thereof as aforesaid, shall elect in writing to cure such default. Notwithstanding the provisions of this paragraph, it is expressly understood and agreed by the Vendee and the Guarantor that time is of the essence of this Agreement and that no such waiver, rescission or annulment shall extend to or affect any other or subsequent default or impair any rights or remedies consequent thereon.

15.3. Any default hereunder shall be deemed cured and not continuing if the Vendee, prior to any sale by the Vendor of the Equipment as provided in Section 16.3, shall pay or cause to be paid to the Vendor the total unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement.

SECTION 16. REMEDIES.

16.1. If an Event of Default shall have occurred and be continuing as hereinbefore provided, then at any time after the entire indebtedness in respect of the Purchase Price of the Equipment shall have been declared immediately due and payable as hereinbefore provided and during the continuance of such default, the Vendor may, upon such further notice, if any, as may be required for compliance with any mandatory requirements of law then in force and applicable to the action to be taken by the Vendor, take or cause to be taken by its agent or agents immediate possession of the Equipment, or any Item thereof, without liability to return to the Vendee or the Guarantor any sums theretofore paid and free from all claims whatsoever, except as hereinafter in this Section 16 expressly provided, and may remove the same from possession

and use of the Vendee and the Guarantor and for such purpose may enter upon the premises of the Vendee or the Guarantor or where the Equipment may be located and may use and employ in connection with such removal any supplies, services and aids and any available trackage and other facilities or means of the Vendee or the Guarantor, with or without process of law.

16.2. In case the Vendor shall rightfully demand possession of the Equipment in pursuance of this Agreement and shall reasonably designate a point or points upon the lines of the Guarantor for the delivery of the Equipment to the Vendor, the Guarantor shall, at its own expense, forthwith and in the usual manner, cause the Equipment to be moved to such point or points as shall be reasonably designated by the Vendor and shall there deliver the Equipment or cause it to be delivered to the Vendor; and, at the option of the Vendor, the Vendor may keep the Equipment on any of the lines of railroad or premises of the Guarantor, for a period not exceeding 180 days, until the Vendor shall have leased, sold or otherwise disposed of the same, and for such purpose the Guarantor agrees to furnish, without charge for rent or storage, the necessary facilities at any point or points selected by the Vendor reasonably convenient. The agreement to deliver the Equipment as hereinbefore provided is of the essence of this Agreement between the parties, and, upon application to any court of equity having jurisdiction in the premises, the Vendor shall be entitled to a decree against the Vendee or the Guarantor requiring specific performance hereof. The Vendee and the Guarantor hereby expressly waive any and all claims against the Vendor and its agent or agents for damages of whatever nature in connection with any retaking of any Item of Equipment in any reasonable manner.

16.3. If an Event of Default shall have occurred and be continuing as hereinbefore provided, then at any time thereafter during the continuance of such default and after the entire indebtedness in respect of the Purchase Price of the Equipment shall have been declared immediately due and payable as hereinbefore provided, the Vendor with or without the retaking of possession thereof may, at its election, sell the Equipment, or any Item thereof, free from any and all claims of the Vendee, or of any other party (including the Guarantor) claiming by, through or under the Vendee, at law or in equity, at public or private sale and with or without advertisement as the Vendor may determine; and the proceeds of such sale, less the attorneys' fees and any other expenses incurred by the Vendor in taking possession of, removing, storing and selling the Equipment, shall be credited to the amount due to the Vendor under the provisions of this Agreement.

16.4. Any sale hereunder may be held or conducted at such place or places and at such time or times as the Vendor may specify, in one lot and as an entirety, or in separate lots and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Vendor may determine, provided that the Vendee and the Guarantor shall be given written notice of such sale not less than 30 days prior thereto, by mail addressed as provided herein. If such sale shall be a private sale, it shall be subject to the rights of the Vendee and the Guarantor to purchase or provide a purchaser, within 30 days after notice of the proposed sale price, at the same price offered by the intending purchaser or a better price. The Vendor may bid for and become the purchaser of the Equipment, or any Item thereof, so offered for sale without accountability to the Vendee (except to the extent of surplus money received as hereinafter provided in this Section), and in payment of the purchase price therefor the Vendor shall be entitled to have credited on account thereof all sums due to the Vendor from the Vendee hereunder.

16.5. Each and every power and remedy hereby specifically given to the Vendor shall be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Vendor. All such powers and remedies shall be cumulative, and the exercise of one shall not be deemed a

waiver of the right to exercise any other or others. No delay or omission of the Vendor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder shall impair any such power or remedy or shall be construed to be a waiver of any default or an acquiescence therein.

16.6. All sums of money realized by the Vendor under the remedies herein provided shall be applied, first to the payment of the expenses and liabilities of the Vendor herein undertaken to be paid, second to the payment of interest on the indebtedness in respect of the Purchase Price of the Equipment accrued and unpaid and third to the payment of the indebtedness in respect of the Purchase Price of the Equipment. If, after applying as aforesaid all sums of money realized by the Vendor, there shall remain any amount due to it under the provisions of this Agreement, the Vendor may bring suit therefor and shall be entitled to recover a judgment therefor against the Vendee, subject to the provisions of Section 14 hereof. If, after applying as aforesaid all sums realized by the Vendor, there shall remain a surplus in the possession of the Vendor, such surplus shall be paid to the Vendee.

16.7. The Vendee, subject to the provisions of Section 14 hereof, will pay all reasonable expenses, including attorneys' fees, incurred by the Vendor in enforcing its remedies under the terms of this Agreement. In the event that the Vendor shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Vendor may recover reasonable expenses, including reasonable attorneys' fees, and the amount thereof shall be included in such judgment.

16.8. The foregoing provisions of this Section are subject in all respects to all mandatory requirements of law at the time in force and applicable thereto.

SECTION 17. APPLICABLE STATE LAWS.

17.1. Any provision of this Agreement prohibited by any applicable law of any state, or which by any applicable law of any state would convert this Agreement into any instrument other than an agreement of conditional sale, shall as to such state be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any applicable state law may be waived, they are hereby waived by the Vendee to the full extent permitted by law, to the end that this Agreement shall be deemed to be a conditional sale and enforced as such.

17.2. Except as otherwise provided in this Agreement, the Vendee, to the full extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of or to sell the Equipment, or any Item thereof, and any other requirements as to the time, place and terms of sale thereof, and other requirements with respect to the enforcement of the Vendor's rights hereunder and any and all rights of redemption.

17.3. Nothing in this Section 17 or any other provision of this Agreement shall be deemed to make ineffective, or to modify or waive, the provisions and limitations of Section 14 hereof.

SECTION 18. EXTENSION NOT A WAIVER.

No delay or omission in the exercise of any power or remedy herein provided or otherwise available to the Vendor shall impair or affect the Vendor's right thereafter to exercise the same. Any extension of time for payment hereunder or other indulgence duly granted to the Vendee shall not otherwise alter or affect the Vendor's rights or the obligations of the Vendee or the Guarantor hereunder. The Vendor's acceptance of any payment after it shall have become due hereunder shall not be deemed to alter or affect the Vendee's obligations or the Vendor's rights hereunder with respect to any subsequent payments or defaults therein.

SECTION 19. RECORDING.

The Guarantor will cause this Agreement, the first assignment hereof and any supplements hereto and thereto to be filed, recorded or deposited and re-filed, re-recorded or re-deposited, if necessary, with the Interstate Commerce Commission, and otherwise as may be required by law or reasonably requested by the Vendor for the purpose of proper protection, to the satisfaction of counsel for the Vendor of its security title to the Equipment and its rights under this Agreement or for the purpose of carrying out the intention of this Agreement; and the Guarantor will promptly furnish to the Vendor certificates or other evidences of such filing, recording or depositing, and an opinion or opinions of counsel for the Guarantor with respect thereto, satisfactory to the Vendor.

SECTION 20. NOTICE.

Any notice hereunder to any of the parties designated below shall be deemed to be properly served if delivered or mailed to it at the following specified addresses:

(a) to the Vendee: Borg-Warner Equities Corporation, One IBM Plaza, Chicago, Illinois, 60611, Attention: National Commercial & Leasing Manager,
with a copy to the above address, Attention: General Counsel.

(b) to the Guarantor: Chicago and North Western Transportation Company, 400 West Madison Street, Chicago, Illinois, 60606, Attention: Vice President—Finance,

(c) to the Vendor: Professional Lease Management, Inc., One Embarcadero Center, Suite 2202, San Francisco, California, 94111, Attention: President,

(d) to any assignee of the Vendor, or of the Vendee, at such address as may have been furnished in writing to the Vendee or the Vendor, as the case may be, and to the Guarantor, by such assignee,

or at such other address as may have been furnished in writing by such party to the other parties to this Agreement.

SECTION 21. HEADINGS.

All section headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

SECTION 22. EFFECT AND MODIFICATION OF AGREEMENTS.

This Agreement and the Schedule relating hereto, together with the Lease, the Acquisition Agreement and letter agreements between the Vendor and the Guarantor, dated the date hereof and July 22, 1974, respectively, exclusively and completely state the rights and agreements of the Vendor, the Vendee and the Guarantor with respect to the Equipment and supersede all other agreements, oral or written, with respect to the Equipment. No variation of this Agreement and no waiver of any of its provisions or conditions shall be valid unless in writing and duly executed on behalf of the Vendor, the Vendee and the Guarantor. Without the prior written consent of the Vendor, the Vendee will not consent to any amendment, modification, waiver or supplement to the Lease or, except in accordance with Section 14 thereof, cancel or terminate the Lease prior to the payment in full of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon.

SECTION 23. LAW GOVERNING.

The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the State of Illinois; provided, however, that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act and such additional rights arising out of

the filing, recording or depositing hereof and of any assignment hereof as shall be conferred by the laws of the several jurisdictions in which this Agreement or any assignment hereof shall be filed, recorded or deposited.

SECTION 24. DEFINITIONS.

The term "Vendor", whenever used in this Agreement, means, before any assignment of any of its rights hereunder, Professional Lease Management, Inc., and any successor or successors for the time being to the properties and business thereof, and, after any such assignment, any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also any assignor as regards any rights hereunder that are retained and excluded from any assignment.

SECTION 25. ASSIGNMENT OF LEASE.

To further secure the payment of the full amount of the indebtedness in respect to the Purchase Price of the Equipment, together with interest thereon, and all other payments as herein provided and for the performance of the Vendee's obligations herein contained, the Vendee hereby assigns, transfers and sets over unto the Vendor, and grants a security interest in, all the Vendee's right, title and interest, as lessor under the Lease, together with all rights, powers and privileges, and all other benefits of the Vendee as lessor under the Lease, including, without limitation, except as hereinafter provided, the immediate right to receive and collect all rentals and profits and other sums payable to or receivable by the Vendee under or pursuant to the provisions of the Lease, and the right to make all waivers and agreements, to give all notices, become entitled to do under the Lease; but excepting and reserving to the Vendee, however, all rights of the Vendee under the Lease (i) to sue for and receive damages under the Lease for the breach of and to receive payment directly in respect of, any covenant representation or warranty of the Lessee which is for the exclusive benefit of the Vendee under Sections 10.2, 14.2(c) and 20 of the Lease, and in the event of a termination of the Lease pursuant to Section 14.2 thereof, to sue for and receive damages under the Lease payable pursuant to Section 14.2(c) thereof, and (ii) in respect of all indemnifications provided in the Lease for the benefit of the Vendee, but the reservation to this clause (ii) shall not prevent any suit and recovery by the Vendor or its assigns under the Lease in respect of all indemnifications provided in the Lease for the benefit of the Vendor and its assigns. In furtherance of the foregoing assignment, the Vendee hereby irrevocably authorizes and empowers the Vendor, in its own name, or in the name of its nominee, or in the name of the Vendee, or as its attorneys, to ask, demand, sue for, collect and receive any and all sums to which the Vendee is or may become entitled under the Lease and to enforce compliance by the Lessee with all the terms and provisions of the Lease. The Vendee further agrees to notify promptly the Vendor of any Event of Default under the Lease of which it has notice. This assignment being made only as security shall not subject the Vendor to, or transfer, or pass, or in any way affect or modify, the liability of the Vendee under the Lease, it being understood and agreed that notwithstanding this assignment, or any subsequent assignment, all obligations of the Vendee to the Guarantor, as lessee, under the Lease, shall be and remain enforceable by the Guarantor, its successors and assigns, against, and only against, the Vendee. Further, the Vendee covenants and agrees that it will perform all its obligations to be performed under the terms of the Lease, and hereby irrevocably authorizes and empowers the Vendor, in its own name, or in the name of its nominee, or in the name of the Vendee, as its attorney, on the happening of any failure by the Vendee to perform or cause to be performed, any such obligation. The Vendor hereby agrees with the Vendee that the amount of any such Lease

payments which are in excess of any payments of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon, which are due and payable hereunder on or prior to the due date of the payments from time to time made under the Lease shall be released by the Vendor to or upon the order of the Vendee. Upon the full discharge and satisfaction of the full amount of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon, and all other payments as herein provided and the performance of all of the Vendee's obligations herein contained, the assignment made hereby and all rights herein assigned to the Vendor shall cease and terminate, and all estate, right, security title and interest of the Vendee granted, assigned, transferred or set over pursuant to this Section 25 in and to the Lease shall revert to the Vendee.

SECTION 26. EXECUTION.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart. Although this Agreement is dated for convenience as of the date first above written, 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.

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

PROFESSIONAL LEASE MANAGEMENT, INC

(Corporate Seal)

By Mark P. Fitzgerald
Its President

Attest:

Wm F. Bryant
Assistant Secretary

BORG-WARNER EQUITIES CORPORATION

(Corporate Seal)

By OB Davis
Its Vice President-Finance

Attest:

[Signature]
Assistant Secretary

CHICAGO AND NORTH WESTERN
TRANSPORTATION COMPANY

(Corporate Seal)

By Jon Butler
Its Vice President

Attest:

Bernard J. Allen
Assistant Secretary

STATE OF ILLINOIS }
COUNTY OF COOK } ss.:

On this 26th day of September, 1974, before me personally appeared Mark Hungerford, to me personally known, who being by me duly sworn, says that he is the President of PROFESSIONAL LEASE MANAGEMENT, INC., 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.

Barbara Rose Cernick
Notary Public

(Seal)

My Commission Expires: NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXPIRES AUG 5, 1975
ISSUED THRU ILLINOIS NOTARY ASSOCIATION

STATE OF ILLINOIS }
COUNTY OF COOK } ss.:

On this 26th day of September, 1974, before me personally appeared O. B. Davies, to me personally known, who, being by me duly sworn, says that he is the Vice President—Finance of BORG-WARNER EQUITIES CORPORATION, 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.

David P. Kuricki
Notary Public

(Seal)

My Commission expires: My Commission Expires November 20, 1977

STATE OF ILLINOIS }
COUNTY OF COOK } ss.:

On this 26th day of September, 1974, before me personally appeared J. M. Butler, to me personally known, who, being by me duly sworn, says that he is a Vice President of CHICAGO AND NORTH WESTERN TRANSPORTATION 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.

Roberta Schick
Notary Public

(Seal)

My Commission Expires:

MY COMMISSION EXPIRES JUNE 27, 1978 18

SCHEDULE A

to Conditional Sale Agreement

MANUFACTURER Pullman Incorporated (Pullman-Standard Division)

DESCRIPTION OF EQUIPMENT 200 one hundred ton 4,750 cubic foot capacity Covered Hopper Cars bearing Chicago and North Western Transportation Company identifying numbers 174500 to 174699, both inclusive.

SPECIFICATIONS As provided in letter agreement dated November 13, 1973 between the Manufacturer and the Vendor

BASE PRICE \$24,000 per Item (\$4,800,000 for 200 Items) or such other price not exceeding \$25,142.85 per Item (\$5,028,570 for 200 Items) as shall be agreed to between the Guarantor and the Vendor.

DELIVER TO Chicago and North Western Transportation Company

PLACE OF DELIVERY Melrose Park, Illinois (Proviso Yard)

ESTIMATED DELIVERY DATES September-October, 1974

OUTSIDE DELIVERY DATE December 31, 1974

Chicago and NorthWestern
Railway Company



December 29, 1994

File: A-9298
EOC: L-269

165 N. Canal St.
Chicago, Illinois 60606

Office of the Secretary
312.559.6156

Mr. Sidney Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, DC 20423

RE: Conditional Sale Agreement dated as of September 1, 1974 among Professional Lease Management, Inc., as Vendor, Borg-Warner Equities Corporation as Vendee and Chicago and North Western Transportation Company as Guarantor

ICC Recordation No.: 7661

Dear Mr. Strickland:

In connection with the above agreements, please be advised that the name of Chicago and North Western Transportation Company was changed to **Chicago and North Western Railway Company** effective May 6, 1994, pursuant to the Certificate of Amendment of Restated Certificate of Incorporation of Chicago and North Western Transportation Company filed with the State of Delaware on May 5, 1994.

Sincerely,

K. A. Dombrowski
Assistant Secretary

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

On this 29th day of December, 1994, before me personally appeared K. A. Dombrowski, to me personally known, who, by me being duly sworn, says that she is Assistant Secretary of Chicago and North Western Railway Company and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

My commission expires: April 12, 1995

