

LEASE OF RAILROAD EQUIPMENT

Dated as of September 1, 1973 7186-a

RECORDATION NO. _____ Filed & Recorded

between OCT 19 1973 - 1 20 PM

INTERSTATE COMMERCE COMMISSION

THE FIFTH THIRD LEASING COMPANY

and

BURLINGTON NORTHERN INC.

ASSIGNMENT OF LEASE
AND AGREEMENT

Dated as of September 1, 1973

between

THE FIFTH THIRD LEASING COMPANY

and

FIRST SECURITY BANK OF UTAH, N.A.,
as Agent

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LEASE OF RAILROAD EQUIPMENT dated as of September 1, 56
1973, between BURLINGTON NORTHERN INC. (hereinafter called 57
the Lessee) and THE FIFTH THIRD LEASING COMPANY (hereinafter 58
called the Lessor).

WHEREAS, the Lessor and the Lessee have entered into a 60
Conditional Sale Agreement dated as of the date hereof 61
(hereinafter called the Security Documents) with GENERAL ELECTRIC 63
COMPANY (hereinafter called the Builder), wherein the Builder has 64
agreed to manufacture, sell and deliver to the Lessor on or prior 65
to December 31, 1973, the units of railroad equipment described 66
in Schedule A hereto;

WHEREAS, the Builder has assigned or will assign its interest 68
in the Security Documents to FIRST SECURITY BANK of UTAH, N.A., 69
as Agent (hereinafter, together with its successors and assigns, 70
referred to as the Vendor); and 72

WHEREAS, the Lessee desires to lease all the units of said 74
equipment, or such lesser number as are delivered and accepted on 76
or before December 31, 1973, and settled for under the Security
Documents prior to January 31, 1974 (such units being hereinafter 77
called the Units), at the rentals, for the terms and upon the 79
conditions hereinafter provided; and

WHEREAS, the Lessee has entered or is entering into a Lease 82
of Railroad Equipment, covering 10 locomotives, with SOCIETY 84
NATIONAL BANK OF CLEVELAND and a Lease of Railroad Equipment, 85
covering 25 locomotives, with MERCANTILE TRUST COMPANY, N.A., 87
both of even date hereof (said Leases of Railroad Equipment being 89
hereinafter called the Other Leases);

NOW, THEREFORE, in consideration of the premises and of the 91
rentals to be paid and the covenants hereinafter mentioned to be 92
kept and performed by the Lessee, the Lessor hereby leases the 93
Units to the Lessee upon the following terms and conditions, but, 94
upon default of the Lessee hereunder or under the Security 95
Documents, subject to all the rights and remedies of the Vendor
under the Security Documents: 96

SECTION 1. Incorporation of Model Provisions. Whenever this 98
Lease incorporates herein by reference, in whole or in part or as 99
hereby amended, any provision of the document entitled "Model 101
Lease Provisions" annexed to the Security Documents as Part II of 102
Annex C thereto (hereinafter called the Model Lease Provisions),
such provision of the Model Lease Provisions shall be deemed to 103
be a part of this instrument as fully to all intents and purposes 104
as though such provision had been set forth in full in this 105
Lease.

SECTION 2. Delivery and Acceptance of Units. Section 2 of the Model Lease Provisions is herein incorporated as Section 2 hereof. 107
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SECTION 3. Rentals. The Lessee agrees to pay to the Lessor, as rental for each Unit subject to this Lease, 31 consecutive semi-annual payments, payable on January 3 and July 3 in each year, commencing with January 3, 1974 (or if any such date is not a business day, on the next preceding business day, as such term is defined in the Security Documents), and the additional payments required to be made in accordance with the provisions below. 112
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(i) The rental payment payable on January 3, 1974, shall be in an amount equal to the Interim Rate (as defined in the Security Documents) divided by 360 multiplied by the Purchase Price (as defined in the Security Documents) of each Unit settled for before January 3, 1974 and then subject to this Lease for each day elapsed from the date such Unit is settled for under the Security Documents to and including January 3, 1974. 124
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(ii) The rental payment payable on July 3, 1974 shall be in an amount equal to 134

(a) the Basic Lease Rate (as hereinafter defined) multiplied by the Purchase Price of each Unit subject to this Lease on July 3, 1974, plus 137
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(b) with respect to 141

(i) each Unit settled for prior to January 3, 1974, for each day elapsed from January 3, 1974 to and including the earlier of the Takeout Date (as defined in the Security Documents) or July 3, 1974, and 143
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(ii) each Unit settled for on or after January 3, 1974 for each day elapsed from the date of settlement with respect to such Unit to and including the earlier of the Takeout Date (as defined in the Security Documents) or July 3, 1974, 148
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the product of (x) the Interim Rate minus the Long Term Rate (as defined in the Security Documents) times (y) 73% (hereinafter called the Debt Percentage) times (z) the Purchase Price of each such Unit, said product divided by 360 (the dollar amount, if said calculation produces a negative number, to be deducted from, rather than added to, the amount calculated under sub-clause (a) above), less 152
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(c) in the event that the Lessee has paid an additional payment of rental in accordance with the 163
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second paragraph of this Section 3, the amount of such payment.	164
(iii) The remaining 29 semi-annual rental payments, commencing January 3, 1975, shall each be in an amount equal to that percentage of the Purchase Price (herein called the Basic Lease Rate) of each Unit subject to this Lease on the rental payment date which is set forth below opposite the Long Term Rate (as defined in the Security Documents) applicable to the Conditional Sale Indebtedness.	166 167 168 169 170 171
<u>Long Term Rate</u>	<u>29 Semi-Annual Payments Commencing January 3, 1975</u>
7 3/4%	4.32503%
7 7/8	4.35827
8	4.39166
8 1/8	4.42519
8 1/4	4.45886
8 3/8	4.49267
8 1/2	4.52662
8 5/8	4.56071
8 3/4	4.59495
If the Long Term Rate per annum applicable to the Conditional Sale Indebtedness is not expressly set forth above, the percentages of the Purchase Price constituting semi-annual rental payments shall be calculated by interpolating or extrapolating the percentages of the Purchase Price set forth above.	175 176 178 179 180 181 182 183 184 185 186
In the event that the Takeout Date (as defined in the Security Documents) occurs prior to July 3, 1974, the Lessee agrees to pay as additional rent on said Takeout Date an amount equal to	190 192 193 194
(a) with respect to each Unit settled for prior to January 3, 1974, for each day elapsed from January 3, 1974, to and including the Takeout Date, the product of (i) the Interim Rate times (ii) the Debt Percentage times (iii) the Purchase Price of each such Unit, said product divided by 360, plus	197 199 200
(b) with respect to each Unit settled for on or after January 3, 1974, for each day elapsed from the date of settlement with respect to such Unit to and including the Takeout Date, the product of (i) the Interim Rate times (ii) the Debt Percentage times (iii) the Purchase Price of each such Unit, said product divided by 360.	203 204 206 208
The Lessee shall pay as additional rent on the Commitment Fee Payment Date (as defined in the Security Documents), irrespective of settlement for any Units under the Security Documents on or	211 212 213 216 217 218
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before such date, an amount equal to the Commitment Fee (as 226
 defined in the Security Documents) payable to the Vendor pursuant 227
 to Article 4 of the Security Documents.

The Lessor irrevocably instructs the Lessee to make, and the 229
 Lessee agrees to make, all the payments provided for in this 230
 Lease in immediately available Salt Lake City or Federal funds 231
 (including but not limited to the payments required under Section 232
 7 hereof) for the account of the Lessor, c/o the Vendor, on or 234
 before 10 a.m., Salt Lake City time on the date upon which 235
 payments are due and payable. With respect to payments made in 236
 immediately available funds, the Lessee will instruct the bank 237
 transferring said funds on the Lessee's behalf to wire advice of 238
 said transfer to First Security Bank of Utah, N.A., to the 239
 attention of its Trust Department not later than 10:00 a.m., Salt 240
 Lake City time on the rental payment date. With respect to 241
 payments made in Federal funds, the Lessee will instruct the bank 242
 transferring said funds on the Lessee's behalf to make said 243
 transfer to the attention of the Trust Department of First 244
 Security Bank of Utah, N.A.

This Lease is a net lease and the Lessee shall not be 246
 entitled to any abatement of rent, reduction thereof or setoff 247
 against rent, including, but not limited to, abatements, 248
 reductions or setoffs due or alleged to be due by reason of any 249
 past, present or future claims of the Lessee against the Lessor 250
 under this Lease or under the Security Documents, including the 251
 Lessee's rights of subrogation under Article 8 thereof, or 252
 against the Builder or the Vendor or otherwise; nor, except as 253
 otherwise expressly provided herein, shall this Lease terminate, 254
 or the respective obligations of the Lessor or the Lessee be 255
 otherwise affected, by reason of any defect in or damage to or 256
 loss of possession or loss of use or destruction of all or any of 257
 the Units from whatsoever cause, any liens, encumbrances or 258
 rights of others with respect to any of the Units, the 259
 prohibition of or other restriction against the Lessee's use of
 all or any of the Units, the interference with such use by any 260
 person or entity, the invalidity or unenforceability or lack of 261
 due authorization of this Lease, any insolvency, bankruptcy, 262
 reorganization or similar proceeding against the Lessee, or for
 any other cause whether similar or dissimilar to the foregoing, 263
 any present or future law to the contrary notwithstanding, it 265
 being the intention of the parties hereto that the rents and
 other amounts payable by the Lessee hereunder shall continue to 266
 be payable in all events in the manner and at the times herein 267
 provided unless the obligation to pay the same shall be 268
 terminated pursuant to the express provisions of this Lease. To 269
 the extent permitted by applicable law, the Lessee hereby waives 270
 any and all rights which it may now have or which at any time 271
 hereafter may be conferred upon it, by statute or otherwise, to 272
 terminate, cancel, quit or surrender the Lease of any of the 273
 Units except in accordance with the express terms hereof. Each 275

rental or other payment made by the Lessee hereunder shall be 275
 final and the Lessee shall not seek to recover all or any part of 276
 such payment from the Lessor for any reason whatsoever unless 277
 such amounts paid by the Lessee hereunder shall be in excess of 278
 the amounts actually due and payable pursuant to the terms of
 this Lease.

SECTION 4. Term of Lease. The term of this Lease as to each 280
 Unit shall begin on the date of the delivery to and acceptance by 281
 the Lessee of such Unit and, subject to the provisions of 282
 Sections 7, 10, 13 and 19 hereof, shall terminate on the date on
 which the final semi-annual payment of rent in respect thereof is 283
 due hereunder.

Notwithstanding anything to the contrary contained herein, 285
 all rights and obligations under this Lease and in and to the 286
 Units, upon default by the Lessee hereunder or under the Security 287
 Documents in its capacity as Guarantor, or otherwise, are subject 288
 to the rights of the Vendor under the Security Documents. If an 289
 event of default should occur under the Security Documents, the
 Vendor may terminate this Lease (or rescind its termination), all 290
 as provided therein, unless the Lessee is not so in default under 291
 this Lease or under the Security Documents. If a Declaration of 292
 Default (as defined in the Security Documents) should be made 293
 under the Security Documents due to an event of default
 occasioned by an act or omission of the Lessor hereunder or 294
 attributable to the Lessor under the Security Documents and not 295
 occasioned by an act or omission of the Lessee hereunder nor
 attributable to the Lessee under the Security Documents as 296
 aforesaid, and if such Declaration of Default shall not have been 297
 rescinded by the Vendor within 30 days of the making thereof, or 298
 if the Vendor theretofore has indicated either in writing to the 299
 Lessor or the Lessee or by the commencement of the remedies 300
 specified under Article 17 of such Security Documents that it 301
 will not rescind such Declaration of Default, the Lessee, without 302
 penalty, may terminate this Lease.

SECTION 5. Identification Marks. Section 5 of the Model 304
 Lease Provisions is herein incorporated as Section 5 hereof. 305

SECTION 6. Taxes. Section 6 of the Model Lease Provisions 308
 is hereby amended by inserting (i) the word "currently" after the 310
 word "Lessor" in the sixth line of the first paragraph thereof, 311
 (ii) the phrase "[including interest and penalties thereon or 313
 with respect thereto]" after the word "taxes" in the twenty- 314
 fourth line of the first paragraph thereof and (iii) the phrase 315
 "and at its own cost" after the word "faith" in the thirty-ninth 316
 line of the first paragraph thereof. Section 6 of the Model 317
 Lease Provisions, as so amended, is herein incorporated as 318
 Section 6 hereof.

SECTION 7. Payment for Casualty Occurrences; Insurance. In 322
the event that any Unit shall be or become worn out, lost,
stolen, destroyed or, in the opinion of the Lessee, irreparably 323
damaged, or taken or requisitioned by condemnation or otherwise 324
rendered permanently unfit from any cause whatsoever (such 325
occurrences being hereinafter called Casualty Occurrences) during 326
the term of this Lease, the Lessee shall, within eight days after 327
it shall have determined that such Unit has suffered a Casualty
Occurrence, fully notify the Lessor and the Vendor in writing in 328
regard thereto. On the rental payment date listed on the 329
schedule set out below next succeeding such notice, the Lessee 330
shall pay to the Lessor an amount equal to the Casualty Value (as 333
hereinafter defined) of such Unit together with the rental 334
payment otherwise due with respect to such Unit as of the date of 335
such payment in accordance with the schedule set out below. Upon 337
the making of such payment by the Lessee in respect of any Unit,
the rental for such Unit shall cease to accrue thereafter, the 338
term of this Lease as to such Unit shall terminate, and (except 339
in the case of the loss, theft or complete destruction of the
Unit) the Lessor shall be entitled to recover possession of such 340
Unit.

Subject to the provisions of Section 17 hereof, the Casualty 342
Value of each Unit as of any rental payment date shall be 343
determined by multiplying the Purchase Price of such Unit by the
appropriate percentage set forth opposite each date: 344

<u>Rental</u>	<u>Percentage of</u>	<u>Rental</u>	<u>Percentage of</u>	
<u>Payment Date</u>	<u>Purchase Price</u>	<u>Payment Date</u>	<u>Purchase Price</u>	
1/3/74	89.5976%	1/3/82	62.4341%	348
7/3/74	89.5297	7/3/82	59.6065	349
1/3/75	88.7984	1/3/83	56.6810	351
7/3/75	88.0414	7/3/83	53.6573	352
1/3/76	87.0548	1/3/84	50.5438	353
7/3/76	85.8687	7/3/84	47.3378	354
1/3/77	84.4653	1/3/85	44.0502	355
7/3/77	82.8706	7/3/85	40.6759	356
1/3/78	81.1140	1/3/86	37.2285	357
7/3/78	79.1930	7/3/86	33.6968	358
1/3/79	77.1268	1/3/87	30.0968	359
7/3/79	74.9649	7/3/87	26.4174	360
1/3/80	72.6825	1/3/88	22.7011	361
7/3/80	70.2861	7/3/88	18.9841	362
1/3/81	67.7766	1/3/89	15.0000	363
7/3/81	65.1582		and thereafter	364
			15.0000	365
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The foregoing percentages have been computed without regard to recapture of the Investment Credit (as defined in Section 10 hereof). Consequently, the Casualty Value of any Unit suffering a Casualty Occurrence on or before the third, fifth and seventh anniversary of the date of delivery and acceptance of such Unit shall be increased by the applicable percentage of the Purchase Price set forth below.

<u>Anniversary of Delivery and Acceptance</u>	<u>Percentage of Purchase Price</u>	
Third	13.9885%	372
Fifth	9.3257%	373
Seventh	4.6623%	374
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Except as hereinabove in this Section 7 provided, the Lessee shall not be released from its obligations hereunder in the event of, and shall bear the risk of, any Casualty Occurrence to any Unit after delivery to and acceptance thereof by the Lessee hereunder.

The Lessee will, at all times while this Lease is in effect, at its own expense, cause to be carried and maintained insurance in respect of the Units at the time subject hereto, and public liability insurance, in amounts and against risks customarily insured against by railroad companies on similar equipment, and in any event in an amount and against risks comparable to those insured against by the Lessee on equipment owned by it and the benefits thereof shall be payable as provided in the Security Documents. Any damages receivable from others, any condemnation payments and any net insurance proceeds in respect of insurance carried by the Lessee received by the Lessor in respect of Units suffering a Casualty Occurrence (all hereinafter collectively referred to as Recoveries) shall be deducted from the amounts payable by the Lessee to the Lessor in respect of Casualty Occurrences pursuant to this Section 7. The excess of such damages received from others, or insurance proceeds or condemnation payments, if any, after deduction of such payments received from the Lessee in respect of Casualty Occurrences, shall belong to the Lessor. If the Lessor shall receive any such Recoveries after the Lessee shall have made payments pursuant to this Section 7 without deduction for such Recoveries, the Lessor shall pay such Recoveries to the Lessee up to an amount equal to the Casualty Value with respect to a Unit paid by the Lessee and any balance of such Recoveries (except any balance of net insurance proceeds which shall be paid to the Lessee) shall remain the property of the Lessor.

All proceeds of insurance received by the Lessor in respect of insurance carried on any Unit or Units not suffering a Casualty Occurrence shall be paid to the Lessee upon proof satisfactory to the Lessor that any damage to such Unit in respect of which such proceeds were paid has been fully repaired.

SECTION 8. Annual Reports. On or before October 1 in each year, commencing with the year 1974, the Lessee shall furnish to the Lessor and the Vendor an accurate statement (a) setting forth as of the preceding July 3 the amount, description and numbers of all Units then leased hereunder and covered by the Security Documents, the amount, description and numbers of all Units that have suffered a Casualty Occurrence during the preceding 12 months (or since the date of this Lease, in the case of the first such statement) and such other information regarding the condition and state of repair of the Units as the Lessor or the Vendor may reasonably request and (b) stating that, in the case of all Units repaired or repainted during the period covered by such statement, the numbers and the markings required by Section 5 hereof and Article 10 of the Security Documents have been preserved or replaced. The Lessor shall have the right, by its agents, to inspect the Units and the Lessee's records with respect thereto at such reasonable times as the Lessor may request during the continuance of this Agreement.

SECTION 9. Disclaimer of Warranties; Compliance with Laws and Rules; Maintenance; and Indemnification. Section 9 of the Model Lease Provisions is herein incorporated as Section 9 hereof.

SECTION 10. Default. If, during the continuance of this Lease, one or more of the following events (each such event being hereinafter sometimes called an Event of Default) shall occur:

A. default shall be made in payment of any part of the rental provided in Section 3 hereof and such default shall continue for ten days;

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

C. default shall be made in the observance or performance of any other of the covenants, conditions, representations, warranties and agreements on the part of the Lessee contained herein or in the Security Documents and such default shall continue for 30 days after written notice from the Lessor to the Lessee specifying the default and demanding that the same be remedied;

D. a petition for reorganization under Section 77 of the Bankruptcy Act, as now constituted or as said Section 77

may hereafter be amended, shall be filed by or against the Lessee and, unless such petition shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Lessee under the Security Documents and this Lease shall not have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed (whether or not subject to ratification) in such proceedings in such manner that such obligations shall have the same status as obligations incurred by such trustee or trustees, within 30 days after such appointment, if any, or 60 days after such petition shall have been filed, whichever shall be earlier;

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

F. An Event of Default shall occur under the Other Leases,

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

(a) proceed by appropriate court action or actions either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof; or

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

agents enter upon the premises of the Lessee or other 515
premises where any of the Units may be and take possession of
all or any of such Units and thenceforth hold, possess and 516
enjoy the same free from any right of the Lessee, or its 517
successors or assigns, to use the Units for any purpose
whatever; but the Lessor shall, nevertheless, have a right to 518
recover from the Lessee any and all amounts which under the 519
terms of this Lease may be then due or which may have accrued
to the date of such termination (computing the rental for any 520
number of days less than a full rental period by multiplying 521
the rental for such full rental period by a fraction of which
the numerator is such number of days and the denominator is 522
the total number of days in such full rental period) and also 523
to recover forthwith from the Lessee (i) as damages for loss 524
of the bargain and not as a penalty, a sum, with respect to
each Unit, which represents the excess of (x) the present 526
value, at the time of such termination, of the entire unpaid
balance of all rentals for such Unit which would otherwise 527
have accrued hereunder from the date of such termination to 528
the end of the term of this Lease as to such Unit over (y) 529
the then present value of the rentals which the Lessor
reasonably estimates to be obtainable for the Unit during 530
such period, such present value to be computed in each case
on the basis of the CSA Rate compounded semi-annually from 531
the respective dates upon which rentals would have been
payable hereunder had this Lease not been terminated, (ii) 533
any damages and expenses, including reasonable attorneys'
fees, in addition thereto which the Lessor shall have 534
sustained by reason of the breach of any covenant or 535
covenants of this Lease other than for the payment of rental,
and including, without limitation, (iii) an amount which, 536
after deduction of all taxes required to be paid by the 537
Lessor in respect of the receipt thereof under the laws of 538
the United States of America or any political subdivision 539
thereof, shall be equal to any portion of the 7% investment 540
credit (herein called the Investment Credit) allowed by 541
Section 38 and related sections of the Internal Revenue Code
of 1954, as amended to the date hereof (hereinafter called 542
the Code), lost, not claimed, not available for claim,
disallowed or recaptured by or from the Lessor as a result of 543
the breach of one or more of the representations, warranties
and covenants made by the Lessee in Section 17 or any other 544
provision of the Lease, the termination of this Lease, the 545
Lessee's loss of the right to use such Unit, any action or 546
inaction by the Lessor or the sale or other disposition of
the Lessor's interest in any Unit after the occurrence of an 547
Event of Default plus such sums as, in the reasonable opinion 548
of the Lessor, will cause the Lessor's net return under this
Lease to be equal to the net return that would have been 549
available to the Lessor if it had been entitled to 550
utilization of all or such portion of the maximum 551
depreciation deductions based on a 12 year depreciable life

for the Units authorized with respect to a Unit under Section 552
 167 of the Code utilizing the "asset depreciation range" for 554
 the Units prescribed in accordance with Section 167(m) of the
 Code for an asset described in Asset Guideline Class No. 555
 70.12 as described in Revenue Procedure 72-10 1972 IRB 8, 556
 employing the double declining balance method of depreciation 557
 switching to the sum-of-the-years-digits method of depreciation 558
 when most beneficial to the Lessor, utilizing the half-year 560
 convention as provided in Reg. 1.167(a)-11(c)(2)(iii) and
 taking into account an Estimated Gross Salvage Value of 10% 561
 of the Lessor's Cost of such Units which will be reduced by 562
 10% of the Lessor's Cost as provided in Section 167(f) of the 563
 Code (hereinafter called the Depreciation Deduction) and the 565
 deduction in each taxable year of the Lessor for all interest
 paid or accrued during such year on the Conditional Sale 566
 Indebtedness (as defined in the Security Documents) computed 568
 in accordance with Section 163 of the Code and the deduction 569
 for the Commitment Fee (as defined in the Security Documents) 570
 in the year in which such Commitment Fee is paid or accrued 571
 (hereinafter called the Interest Deduction) which was lost, 573
 not claimed, not available for claim, disallowed or 574
 recaptured in respect of a Unit as a result of the breach of
 one or more of the representations, warranties and covenants 575
 made by the Lessee in Section 17 or any other provision of 576
 this Lease, the termination of this Lease, the Lessee's loss 578
 of the right to use such Unit, any action or inaction by the 579
 Lessor or the sale or other disposition of the Lessor's
 interest in such Unit after the occurrence of an Event of 580
 Default plus such sum as will pay or reimburse the Lessor for 581
 any interest or penalties incurred in connection with the 582
 Investment Credit, Depreciation Deduction or Interest
 Deduction which is lost, not claimed, not available for 583
 claim, disallowed or recaptured.

The remedies in this Lease provided in favor of the Lessor 586
 shall not be deemed exclusive, but shall be cumulative, and shall 587
 be in addition to all other remedies in its favor existing at law 588
 or in equity. The Lessee hereby waives any mandatory 589
 requirements of law, now or hereafter in effect, which might 590
 limit or modify the remedies herein provided, to the extent that 591
 such waiver is permitted by law. The Lessee hereby waives any 592
 and all existing or future claims to any offset against the 593
 rental payments due hereunder, and agrees to make rental payments
 regardless of any offset or claim which may be asserted by the 594
 Lessee or on its behalf.

The failure of the Lessor to exercise the rights granted it 596
 hereunder upon the occurrence of any of the contingencies set 597
 forth herein shall not constitute a waiver of any such right upon 598
 the continuation or recurrence of any such contingencies or
 similar contingencies.

SECTION 11. Return of Units Upon Default. Section 11 of the Model Lease Provisions is herein incorporated as Section 11 hereof.

SECTION 12. Assignment; Possession and Use. Section 12 of the Model Lease Provisions is hereby amended by inserting the following sentence at the end of the third paragraph thereof:

So long as the Lessee shall not be in default under this Lease or under the Security Documents in its capacity as Guarantor or otherwise, the Lessee shall be entitled to sublease the Units to any railroad corporation incorporated under the laws of any state of the United States of America or the District of Columbia; provided, however, that the rights of any such sublessee are made expressly subordinate to the rights and remedies of the Vendor under the Security Documents and the Lessor under the Lease.

Section 12 of the Model Lease Provisions, as so amended, is herein incorporated as Section 12 hereof.

SECTION 13. Renewal Options. Provided that this Lease has not been earlier terminated and the Lessee is not in default hereunder, the Lessee may, by written notice delivered to the Lessor not less than six months prior to the end of the original term of this Lease or such original term as once extended in the manner hereinafter set forth, as the case may be, elect to extend the term of this Lease in respect of all, but not fewer than all, of such Units then covered by this Lease, for a period of two years commencing on the scheduled expiration of such original or once-extended term, as the case may be, of this Lease, at a rental payable in semi-annual payments in arrears, each in an amount equal to the "Fair Rental Value" of such Units, such semi-annual payments to be made on January 3 and July 3 in each year of the applicable extended term.

Fair Rental Value shall be determined on the basis of, and shall be equal in amount to, the value which would obtain in an arm's-length transaction between an informed and willing lessee-user (other than a lessee-user currently in possession) and an informed and willing lessor under no compulsion to lease and, in such determination, costs of removal from the location of current use shall not be a deduction from such value.

If on or before four months prior to the expiration of the term of this Lease, or of the once-extended term hereof, as the case may be, the Lessor and the Lessee are unable to agree upon a determination of the Fair Rental Value of the Units, such value shall be determined in accordance with the foregoing definition

by a qualified independent Appraiser. The term Appraiser shall mean such independent appraiser as the Lessor and the Lessee may mutually agree upon, or failing such agreement, a panel of three independent appraisers, one of whom shall be selected by the Lessor, the second by the Lessee and the third designated by the first two so selected. The Appraiser shall be instructed to make such determination within a period of 30 days following appointment, and shall promptly communicate such determination in writing to the Lessor and the Lessee. The determination so made shall be conclusively binding upon both Lessor and Lessee. The expenses and fee of the Appraiser shall be borne by the Lessee.

SECTION 14. Return of Units upon Expiration of Term. Section 14 of the Model Lease Provisions is hereby amended by adding the following sentence at the beginning of the first paragraph:

"The Lessor intends to retain the Units for re-lease at the expiration of the term of this Lease."

Section 14 of the Model Lease Provisions, as so amended, is herein incorporated as Section 14 hereof.

SECTION 15. Opinion of Counsel. Section 15 of the Model Lease Provisions is herein incorporated as Section 15 hereof.

SECTION 16. Recording; Expenses. Section 16 of the Model Lease Provisions is hereby amended by inserting after the word "Act" in the fifth line of the first paragraph thereof the phrase "and to be deposited with the Registrar General of Canada (notice of such deposit to be forthwith given in The Canada Gazette) pursuant to Section 86 of the Railway Act of Canada". Section 16 of the Model Lease Provisions, as so amended, is herein incorporated as Section 16 hereof.

SECTION 17. Federal Income Taxes. The Lessor, as the owner of the Units, shall be entitled to such deductions, credits and other benefits as are provided by the Code to an owner of the property, including (without limitation) an allowance for the Investment Credit, the Depreciation Deduction and the Interest Deduction (all as defined in Section 10 of this Lease), with respect to the Units to the extent so provided.

Lessee agrees that neither it nor any corporation controlled by it, in control of it, or under common control with it, directly or indirectly, will at any time take any action or file any returns or other documents inconsistent with the foregoing and that each of such corporations will file such returns, take such action and execute such documents as may be reasonable and necessary to facilitate accomplishment of the intent thereof. Lessee agrees to keep and make available for inspection and

copying by Lessor such records as will enable Lessor to determine 705
 whether it is entitled to the full benefit of the Investment 706
 Credit and the Depreciation Deduction with respect to the Units.

The Lessee represents and warrants that (i) at the time the 709
 Lessor becomes the owner of the Units, the Units will constitute
 "new Section 38 property" within the meaning of Section 48(b) of 711
 the Code, (ii) at the time the Lessor becomes the owner of the 712
 Units, the Units will not have been used by any person so as to 713
 preclude "the original use of such property" within the meaning 715
 of Sections 48(b) and 167(c) (2) of the Code from commencing with 716
 the Lessor and (iii) the Lessee will not at any time during the 717
 term of this Lease, use or fail to use any Unit in such a way as
 to disqualify it as "Section 38 property" within the meaning of 718
 Section 48(a) of the Code. 719

If the Lessor shall lose or shall not have or shall lose the 721
 right to claim, or if there shall be disallowed, or recaptured 722
 with respect to the Lessor, all or any portion of the Investment 723
 Credit, Interest Deduction or Depreciation Deduction as provided 724
 to an owner of property with respect to a Unit for any period
 prior to the termination of this Lease and full compliance by the 725
 Lessee with all of its obligations hereunder as the direct or 726
 indirect result of one or more of the following events
 (hereinafter in this Section 17 called an Event)-- 727

(a) a Determination as defined in Section 1313(a) of 729
 the Code (hereinafter called a Determination) of additional 731
 tax liability resulting from the conclusion of the Internal
 Revenue Service that (i) any representation, fact, estimate, 732
 opinion or other statement which is contained in a 733
 certificate furnished to the Lessor by the Lessee, or any 734
 affiliated company or any officer, employee, agent or
 attorney thereof, which is contained in the Request for 735
 Rulings (as defined in Section 19 hereof) is fraudulent, 737
 untrue, incorrect, inaccurate, misleading, unreasonable or
 insufficient in whole or in part (including any omission of a 739
 material fact which causes such representation, fact,
 estimate, opinion or other statement to be misleading or 740
 insufficient in whole or in part); (ii) any representation, 741
 fact, estimate, opinion or other statement made or stated in
 writing by the Lessee, or any affiliated company or any 742
 officer, employee, agent or attorney thereof, in connection 743
 with the obtaining of the rulings requested in such Request
 for Rulings is fraudulent, untrue, incorrect, inaccurate, 744
 misleading, unreasonable or insufficient in whole or in part
 (including any omission of a material fact which causes such 745
 representation, fact, estimate, opinion or other statement to 746
 be misleading or insufficient in whole or in part); or (iii) 748
 the Lessee, or any affiliated company or any officer,
 employee, agent or attorney thereof, has taken or failed to 749
 take any action whatsoever (including, without limitation, 750

any action in respect of the Lessee's or such affiliate's	751
income tax returns) which action or non-action is	752
inconsistent with or in contravention of any of the matters	753
set forth in such Request for Rulings or set forth in the	
rulings issued pursuant thereto or in any closing agreement	754
entered into in connection with such rulings; or	755
(b) the representations contained in this Section 17	757
being untrue,	758
then, in such Event, the Lessee shall pay to the Lessor as	760
additional rent an amount which, after deduction of all taxes	761
required to be paid by the Lessor in respect of the receipt	
thereof under the laws of any Federal, state, or local government	762
or taxing authority of the United States, shall be equal to any	763
portion of the Investment Credit, lost, not claimed, not	
available for claim, disallowed or recaptured by or from the	764
Lessor as a consequence of such Event plus such sums as, in the	765
reasonable opinion of the Lessor, will cause the Lessor's net	766
return to be equal to the net return that would have been	
available to the Lessor if it had been entitled to utilization of	767
all of the Interest Deduction or Depreciation Deduction which was	768
lost, not claimed, not available for claim, disallowed or	
recaptured by or from the Lessor in consequence of the Event plus	770
such sum as will pay or reimburse the Lessor for any interest or	771
penalties incurred in connection with the Investment Credit,	772
Depreciation Deduction or Interest Deduction which is lost, not	773
claimed, not available for claim, disallowed or recaptured.	774
Upon the commencement of any proceeding (including the	777
written claim or written threat of such proceeding) in respect of	778
which indemnity may be sought under the foregoing paragraph of	
this Section 17, the Lessor shall promptly, upon its knowledge	779
thereof, given written notice of such commencement to the Lessee.	780
In case such notice of any such commencement shall be so given,	781
the Lessee shall be entitled to participate in any such	782
proceeding at its own expense or, if it so elects, to assume	783
responsibility for such proceeding, and in the latter event such	784
proceeding shall be conducted by counsel chosen by and	
satisfactory to the Lessor who shall be involved in such	785
proceeding, and the Lessor shall bear the fees and expenses of	786
any additional counsel retained by the Lessor, but if the Lessee	787
shall not elect to assume the responsibility for such proceeding,	
the Lessee will reimburse the Lessor for the reasonable fees and	788
expenses of any counsel retained by it.	789
SECTION 18. <u>Interest on Overdue Rentals.</u> Anything to the	794
contrary herein contained notwithstanding, any nonpayment of	
rentals and other obligations due hereunder shall result in the	796
obligation on the part of the Lessee promptly to pay, to the	
extent legally enforceable, interest at the Overdue Rate (as	797

defined in the Security Documents) on the overdue rentals for the period of time during which they are overdue, or at such lesser rate as may be legally enforceable. 797
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SECTION 19. Purchase of Equipment by Lessee Under Certain Conditions. If-- 801

(a) On or before June 1, 1974, the Internal Revenue Service for any reason whatsoever shall not have issued to the Lessor, upon a request by it (hereinafter called the Request for Rulings), a favorable tax ruling to the effect that: (i) this Lease constitutes a true lease and the Lessor will be treated as owner of the Units; (ii) the Lessor is entitled to the Interest Deduction (as defined in Section 10 hereof) in computing its taxable income; (iii) the Lessor is entitled to the Investment Credit (as defined in Section 10 hereof) in respect of 100% of the Purchase Price (as defined in the Security Documents); (iv) the Lessor is entitled to the Depreciation Deduction (as defined in Section 10 hereof) in respect of 100% of the Purchase Price of the Units; (v) the payments to be paid by the Lessee for the use of the Units constitute rent and are deductible by the Lessee pursuant to Section 162(a) (3) of the Code. 804
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(b) On or before June 1, 1974, the Lessee on behalf of the Lessor shall not have arranged for a limited number of institutional investors or other financial institutions (hereinafter called the Investors) to acquire through the Vendor, on or before July 3, 1974, the interests of the Vendor under the Security Documents at a price equal to the unpaid Conditional Sale Indebtedness (as defined in the Security Documents), all on such reasonable terms and conditions (including any amendments of this Lease and the Security Documents, and any other documents executed in connection with this Lease and the Security Documents, which may reasonably be required) as shall be reasonably satisfactory in form and substance to the Investors and to the Lessor; 825
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then the Lessee shall purchase from the Lessor on July 3, 1974, all of the Units subject to this Lease for a purchase price equal to (i) the Purchase Price of each such Unit plus interest on such amount at the CSA Rate from the settlement date or dates of each such Unit under the Security Documents to and including the date of such purchase, plus all fees and expenses paid or incurred by the Lessor (including without limitation brokerage commissions, legal and printing fees, and attorneys' and accountants' fees) in connection with the transactions contemplated by the Security Documents and this Lease, less (ii) any rental payments paid to the Lessor under Section 3 of this Lease. 836
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It is intended that upon the payment by the Lessee to the Lessor of the sum provided for in the preceding paragraph the Lessee shall be entitled to such deductions, credits and other benefits as are provided for in the Code to an owner of property including (without limitation) the Investment Credit and Depreciation Deductions described above.

SECTION 20. Notices. Any notice required or permitted to be given by either party hereto to the other shall be deemed to have been given when deposited in the United States certified mails, first-class postage prepaid, addressed as follows:

(a) if to the Lessor, at Fifth Third Center, Cincinnati, Ohio 45202, attention of Vice President,

(b) if to the Lessee, at 176 East Fifth Street, St. Paul, Minnesota 55101, attention of Assistant Vice President, Financial Planning Division,

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

SECTION 21. Severability; Effect and Modification of Lease. Any provision of this Lease which is prohibited or unenforceable in any jurisdiction, shall be, as to such jurisdiction, ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

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

SECTION 22. Execution. This Lease may be executed in several counterparts and such counterparts together shall constitute but one and the same instrument. Although this Lease is dated as of September 1, 1973, for convenience, 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.

SECTION 23. Law Governing. The terms of this Lease and all rights and obligations hereunder shall be governed by the laws of the State of Minnesota; provided, however, that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

IN WITNESS WHEREOF, the parties hereto have executed or caused this instrument to be executed as of the date first above written.

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THE FIFTH THIRD LEASING COMPANY

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by *[Signature]*
Vice President

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[CORPORATE SEAL]

Attest:

[Signature]
Assistant Secretary

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BURLINGTON NORTHERN INC.

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by *[Signature]*
Vice President

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[CORPORATE SEAL]

Attest:

[Signature]
Assistant Secretary

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STATE OF OHIO)	936
) ss.:	937
COUNTY OF HAMILTON)		938

On this 18 day of October, 1973, before me personally appeared C. P. Reynolds, Jr., to me personally known, who, being by me duly sworn, says that he is a Vice President of THE FIFTH THIRD LEASING COMPANY, that the seal 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

Irma S. Martin
Notary Public

[NOTARIAL SEAL]	IRMA S. MARTIN	956
My Commission expires	Notary Public, Hamilton County, Ohio My Commission Expires Oct. 14, 1974	958

STATE OF MINNESOTA)	964
) ss.:	965
COUNTY OF RAMSEY)	966

On this 17th day of October, 1973, before me personally appeared FRANK H. COYNE, to me personally known, who, being by me duly sworn, says that he is a Vice President of BURLINGTON NORTHERN 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.

G. E. Steinhil
Notary Public

[NOTARIAL SEAL]	G. E. STEINHIBEL	981
My Commission expires	Notary Public, Ramsey County, Minn. My Commission Expires Mar. 16, 1979	982
		985
		987

SCHEDULE A

Quantity

Description

Lessee's
Road Numbers
(Inclusive)

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General Electric
Company, Model
U-30-C 3000 h.p.
Locomotives

5814-5818;
5919-5923

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MODEL LEASE PROVISIONS

§ 2. Delivery and Acceptance of Units. The Lessor will cause each Unit to be delivered to the Lessee at the point or points within the United States of America at which such Unit is delivered to the Lessor under the Security Documents. Upon such delivery, the Lessee will cause an inspector of the Lessee to inspect the same, and if such Unit is found to be acceptable, to accept delivery of such Unit and execute and deliver to the Lessor a certificate of acceptance and delivery (hereinafter called the Certificate of Delivery), stating that such Unit has been inspected and accepted on behalf of the Lessee on the date of such Certificate of Delivery and is marked in accordance with § 5 hereof, whereupon such Unit shall be deemed to have been delivered to and accepted by the Lessee and shall be subject thereafter to all the terms and conditions of this Lease.

§ 5. Identification Marks. The Lessee will cause each Unit to be kept numbered with the identifying number set forth in Schedule A hereto, or, in the case of any Unit not there listed, such identifying number as shall be set forth in any amendment or supplement hereto extending this Lease to cover such Unit, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each Unit, in letters not less than one inch in height, the name of the Vendor followed by the words "Agent, Security Owner" or other appropriate words designated by the Lessor, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Lessor's and Vendor's title to and property in such Unit and the rights of the Lessor under this Lease and of the Vendor under the Security Documents. The Lessee will not place any such Unit in operation or exercise any control or dominion over the same until such markings shall have been made thereon and will replace promptly any markings which may be removed, defaced or destroyed. The Lessee will not change the identifying number of any Unit except in accordance with a statement of new number or numbers to be substituted therefor, which statement

previously shall have been filed with the Vendor and the Lessor and filed, recorded and deposited by the Lessee in all public offices where this Lease and the Security Documents shall have been filed, recorded and deposited.

Except as provided in the immediately preceding paragraph, the Lessee will not allow the name of any person, association or corporation to be placed on any Unit as a designation that might be interpreted as a claim of ownership; provided, however, that the Units may be lettered with the names or initials or other insignia of the Lessee or its affiliates.

§ 6. Taxes. All payments to be made by the Lessee hereunder will be free of expense to the Lessor for collection or other charges and will be free of expense to the Lessor with respect to the amount of any local, state, federal, or foreign taxes (other than any United States federal income tax [and, to the extent that the Lessor receives credit therefor against its United States federal income tax liability, any foreign income tax] payable by the Lessor in consequence of the receipt of payments provided for herein and other than the aggregate of all state or city income taxes or franchise taxes measured by net income based on such receipts or gross receipts taxes [other than gross receipts taxes in the nature of sales or use taxes], up to the amount of any such taxes which would be payable to the state and city in which the Lessor has its principal place of business without apportionment to any other state, except any such tax which is in substitution for or relieves the Lessee from the payment of taxes which it would otherwise be obligated to pay or reimburse as herein provided) or license fees, assessments, charges, fines or penalties hereafter levied or imposed upon or in connection with or measured by this Lease or any sale, rental, use, payment, shipment, delivery or transfer of title under the terms hereof or the Security Documents (all such expenses, taxes, license fees, assessments, charges, fines and penalties being hereinafter called impositions), all of which impositions the Lessee assumes and agrees to pay on demand in addition to the payments to be made by it provided for herein. The Lessee will also pay promptly all impositions which may be imposed upon any Unit or for the use or operation thereof or upon the earnings arising therefrom (except as provided above) or upon the Lessor solely by reason of its ownership thereof

and will keep at all times all and every part of such Unit free and clear of all impositions which might in any way affect the title of the Lessor in and to any Unit or its interests or rights under this Lease; provided, however, that the Lessee shall be under no obligation to pay any impositions of any kind so long as it is contesting in good faith and by appropriate legal proceedings such impositions and the nonpayment thereof does not, in the opinion of the Lessor, adversely affect the title, interests or rights of the Lessor in and to any of the Units or under this Lease or the Security Documents. If any impositions shall have been charged or levied against the Lessor directly and paid by the Lessor, the Lessee shall reimburse the Lessor on presentation of an invoice therefor.

In the event that the Lessor shall become obligated to make any payment to the Builder or the Vendor or otherwise pursuant to Article 6 of the Security Documents not covered by the foregoing paragraph of this § 6, the Lessee shall pay such additional amounts (which shall also be deemed impositions hereunder) to the Lessor as will enable the Lessor to fulfill completely its obligations pursuant to said Article 6.

In the event any reports with respect to impositions are required to be made, the Lessee will either make such reports in such manner as to show the interests of the Lessor and the Vendor in such Units or notify the Lessor and the Vendor of such requirement and make such reports in such manner as shall be satisfactory to the Lessor and the Vendor.

In the event that, during the continuance of this Lease, the Lessee becomes liable for the payment or reimbursement of any imposition, pursuant to this § 6, such liability shall continue, notwithstanding the expiration of this Lease, until all such impositions are paid or reimbursed by the Lessee.

§ 8. Annual Reports. On or before March 31 in each year, commencing with the calendar year which begins after the expiration of 120 days from the date of this Lease, the Lessee will furnish to the Lessor and the Vendor an accurate statement (a) setting forth as at the preceding December 31 the amount, description and numbers of all Units

then leased hereunder and covered by the Security Documents, the amount, description and numbers of all Units that have suffered a Casualty Occurrence during the preceding calendar year (or since the date of this Lease in the case of the first such statement) and such other information regarding the condition and state of repair of the Units as the Lessor or the Vendor may reasonably request and (b) stating that, in the case of all Units repainted or repaired during the period covered by such statement, the numbers and markings required by § 5 hereof and Article 10 of the Security Documents have been preserved or replaced. The Lessor shall have the right by its agents, to inspect the Units and the Lessee's records with respect thereto at such reasonable times as the Lessor may request during the continuance of this Lease.

§ 9. Disclaimer of Warranties; Compliance with Laws and Rules; Maintenance; Indemnification. THE LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE DESIGN OR CONDITION OF, OR AS TO THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE UNITS DELIVERED TO THE LESSEE HEREUNDER, AND THE LESSOR MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS OF THE UNITS FOR ANY PARTICULAR PURPOSE OR AS TO TITLE TO THE UNITS OR ANY COMPONENT THEREOF, it being agreed that all such risks, as between the Lessor and the Lessee, are to be borne by the Lessee; but the Lessor hereby irrevocably appoints and constitutes the Lessee its agent and attorney-in-fact during the term of this Lease to assert and enforce from time to time, in the name of and for account of the Lessor and/or the Lessee, as their interests may appear, at the Lessee's sole cost and expense, whatever claims and rights the Lessor may have, as Vendee, under the provisions of Article 14 of the Security Documents. The Lessee's delivery of a Certificate of Delivery shall be conclusive evidence as between the Lessee and the Lessor that all Units described therein are in all the foregoing respects satisfactory to the Lessee, and the Lessee will not assert any claim of any nature whatsoever against the Lessor based on any of the foregoing matters.

The Lessee agrees, for the benefit of the Lessor and the Vendor, to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each Unit) with all laws of the jurisdictions in which its operations involving the Units may extend, with

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

The Lessee agrees that it will at all times maintain each Unit in good order and repair at its own expense.

Any and all additions to any Unit (except, in the case of any Unit which is a locomotive, communications, signal and automatic control equipment or devices having a similar use which have been added to such Unit by the Lessee, the cost of which is not included in the Purchase Price of such Unit and which are not required for the operation or use of such Unit by the Interstate Commerce Commission, the Department of Transportation or any other applicable regulatory body), and any and all parts installed on and additions and replacements made to any Unit shall constitute accessions to such Unit and, at the cost and expense of the Lessee, full ownership thereof free from any lien, charge, security interest or encumbrance (except for those created by the Security Documents) shall immediately be vested in the Lessor and the Vendor as their respective interests appear in the Unit itself.

The Lessee agrees to indemnify, protect and hold harmless the Lessor and 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, but not limited to, counsel fees and expenses, patent liabilities, penalties and interest, arising out of or as the result of the entering

into or the performance of the Security Documents or this Lease, the ownership of any Unit, the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any Unit or any accident in connection with the operation, use, condition, possession, storage or return of any Unit resulting in damage to property or injury or death to any person, except as otherwise provided in § 16 of this Lease. The indemnities arising under this paragraph shall continue in full force and effect notwithstanding the full payment of all obligations under this Lease or the termination of this Lease.

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

§ 11. Return of Units Upon Default. If this Lease shall terminate pursuant to § 10 hereof, the Lessee shall forthwith deliver possession of the Units to the Lessor. For the purpose of delivering possession of any Unit or Units to the Lessor as above required, the Lessee shall at its own cost, expense and risk:

(a) forthwith place such Units upon such storage tracks of the Lessee as the Lessor reasonably may designate;

(b) permit the Lessor to store such Units on such tracks at the risk of the Lessee until such Units have been sold, leased or otherwise disposed of by the Lessor; and

(c) transport the same to any place on the lines of railroad operated by the Lessee or any of its affiliates or to any connecting carrier for shipment, all as directed by the Lessor.

The assembling, delivery, storage and transporting of the Units as hereinbefore provided shall be at the expense and risk of the Lessee and are of the essence of this Lease, and

upon application to any court of equity having jurisdiction in the premises the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver, store and transport the Units. During any storage period, the Lessee will permit the Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser of any such Unit, to inspect the same.

Without in any way limiting the obligation of the Lessee under the foregoing provisions of this § 11, the Lessee hereby irrevocably appoints the Lessor as the agent and attorney of the Lessee, with full power and authority, at any time while the Lessee is obligated to deliver possession of any Unit to the Lessor, to demand and take possession of such Unit in the name and on behalf of the Lessee from whomsoever shall be in possession of such Unit at the time.

§ 12. Assignment; Possession and Use. This Lease shall be assignable in whole or in part by the Lessor without the consent of the Lessee, but the Lessee shall be under no obligation to any assignee of the Lessor except upon written notice of such assignment from the Lessor. All the rights of the Lessor hereunder (including, but not limited to, the rights under §§ 6, 7, 10 and 17 hereof and the rights to receive the rentals payable under this Lease) shall inure to the benefit of each beneficiary of the Lessor if the Lessor is a trust and the Lessor's assigns. Whenever the term Lessor is used in this Lease it shall apply and refer to each such beneficiary and assignee of the Lessor and, where the context so requires (including, but not limited to, certain of the provisions of § 10 and all of § 17 hereof), shall refer only to each such beneficiary or its assignee.

So long as the Lessee shall not be in default under this Lease or under the Security Documents in its capacity as Guarantor or otherwise, the Lessee shall be entitled to the possession and use of the Units, in accordance with the terms of this Lease and the Security Documents, but, without the prior written consent of the Lessor, the Lessee shall not assign or transfer its leasehold interest under this Lease in the Units or any of them. The Lessee, at its own

expense, will promptly pay or discharge any and all sums claimed by any party which, if unpaid, might become a lien, charge, security interest or other encumbrance (other than an encumbrance created by the Lessor or the Vendor or resulting from claims against the Lessor or the Vendor not related to the ownership of the Units) upon or with respect to any Unit (other than upon or with respect to the leasehold rights of the Lessee hereunder in and to the Units) including any accession thereto or the interest of the Lessor, the Vendor or the Lessee therein, and will promptly discharge any such lien, claim, security interest or encumbrance which arises. The Lessee shall not, without the prior written consent of the Lessor, part with the possession or control of, or suffer or allow to pass out of its possession or control, any of the Units, except to the extent permitted by the provisions of the immediately succeeding paragraph.

So long as the Lessee shall not be in default under this Lease or under the Security Documents in its capacity as Guarantor or otherwise, the Lessee shall be entitled to the possession of the Units and to the use of the Units by it or any affiliate upon lines of railroad owned or operated by it or any such affiliate or upon lines of railroad over which the Lessee or any such affiliate has trackage or other operating rights or over which railroad equipment of the Lessee or any such affiliate is regularly operated pursuant to contract, and also to permit the use of the Units upon connecting and other carriers in the usual interchange of traffic, but only upon and subject to all the terms and conditions of this Lease and the Security Documents; provided, however, that the Lessee shall not assign or permit the assignment of any Unit to service involving the regular operation and maintenance thereof outside the United States of America. The Lessee may receive and retain compensation for such use from other railroads so using any of the Units.

Nothing in this § 12 shall be deemed to restrict the right of the Lessee to assign or transfer its leasehold interest under this Lease in the Units or possession of the Units to any railroad corporation incorporated under the laws of any state of the United States of America or the District of Columbia (which shall have duly assumed the obligations of the Lessee hereunder and under the Security

Documents) into or with which the Lessee shall have become merged or consolidated or which shall have acquired the property of the Lessee as an entirety or substantially as an entirety, provided that such assignee or transferee will not, upon the effectiveness of such merger or consolidation, be in default under any provision of this Lease.

§ 14. Return of Units upon Expiration of Term. As soon as practicable on or after the expiration of the term of this Lease with respect to any Unit, the Lessee will (unless the Unit is sold to the Lessee), at its own cost and expense, at the request of the Lessor, deliver possession of such Unit to the Lessor upon such storage tracks of the Lessee as the Lessee may designate, or, in the absence of such designation, as the Lessor may select, and permit the Lessor to store such Unit on such tracks for a period not exceeding three months and transport the same, at any time within such three-month period, to any reasonable place on the lines of railroad operated by the Lessee, or to any connecting carrier for shipment, all as directed by the Lessor; the movement and storage of such Unit to be at the expense and risk of the Lessee. During any such storage period the Lessee will permit the Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser of such Unit, to inspect the same; provided, however, that the Lessee shall not be liable, except in the case of negligence of the Lessee or of its employees or agents, for any injury to, or the death of, any person exercising, either on behalf of the Lessor or any prospective purchaser, the rights of inspection granted under this sentence. The assembling, delivery, storage and transporting of the Units as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises, the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver, store and transport the Units. If Lessor shall elect to abandon any Unit which has suffered a Casualty Occurrence or which after the expiration of this Lease the Lessor shall elect to abandon, it may deliver written notice to such effect to the Lessee and the Lessee shall thereupon assume and hold the Lessor harmless from all liability arising in respect of any responsibility of ownership thereof, from and after receipt of such notice. The Lessor shall execute and deliver to the

Lessee a bill of sale or bills of sale transferring to the Lessee, or upon its order, the Lessor's title to and property in any Unit abandoned by it pursuant to the immediately preceding sentence. The Lessee shall have no liability to the Lessor in respect of any Unit abandoned by the Lessor after termination of the Lease; provided, however, that the foregoing clause shall not in any way relieve the Lessee of its obligations pursuant to § 7 hereof to make payments equal to the Casualty Value of any Unit experiencing a Casualty Occurrence while this Lease is in effect.

§ 15. Opinion of Counsel. On each Closing Date (as defined in the Security Documents), the Lessee will deliver to the Lessor two counterparts of the written opinion of counsel for the Lessee, addressed to the Lessor and the Vendor, in scope and substance satisfactory to the Lessor, the Vendor and their respective counsel, to the effect that:

A. the Lessee is a corporation legally incorporated, validly existing and in good standing under the laws of its state of incorporation (specifying the same) with adequate corporate power to enter into the Security Documents and this Lease;

B. the Security Documents and this Lease have been duly authorized, executed and delivered by the Lessee and constitute valid, legal and binding agreements of the Lessee, enforceable in accordance with their respective terms;

C. the Security Documents (and the assignment thereof to the Vendor) and this Lease have been duly filed and recorded with the Interstate Commerce Commission pursuant to Section 20c of the Interstate Commerce Act and such filing and recordation will protect the Vendor's and the Lessor's interests in and to the Units and no filing, recording or deposit (or giving of notice) with any other federal, state or local government is necessary in order to protect the interests of the Vendor or the Lessor in and to the Units;

D. no approval is required from any public regulatory body with respect to the entering into or performance of the Security Documents or this Lease;

E. the entering into and performance of the Security Documents or this Lease will not result in any breach of, or constitute a default under, any indenture, mortgage, deed of trust, bank loan or credit agreement or other agreement or instrument to which the Lessee is a party or by which it may be bound; and

F. no mortgage, deed of trust, or other lien of any nature whatsoever which now covers or affects, or which may hereafter cover or affect, any property or interests therein of the Lessee, now attaches or hereafter will attach to the Units or in any manner affects or will affect adversely the Vendor's or Lessor's right, title and interest therein; provided, however, that such liens may attach to the leasehold rights of the Lessee hereunder in and to the Units.

§ 16. Recording; Expenses. The Lessee will cause this Lease, the Security Documents and any assignment hereof or thereof to be filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act. The Lessee will undertake the filing, registering, deposit, and recording required of the Lessor under the Security Documents and will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, record (and will refile, re-register, deposit and redeposit or re-record whenever required) any and all further instruments required by law or reasonably requested by the Lessor or the Vendor for the purpose of proper protection, to their satisfaction, of the Vendor's and the Lessor's respective interests in the Units, or for the purpose of carrying out the intention of this Lease, the Security Documents or the assignment thereof to the Vendor; and the Lessee will promptly furnish to the Vendor and the Lessor evidences of all such filing, registering, depositing or recording, and an opinion or opinions of counsel for the Lessee with respect thereto satisfactory to the Vendor and the Lessor. This Lease and the Security Documents shall be filed and recorded with the Interstate Commerce Commission prior to the delivery and acceptance hereunder of any Unit.

The Lessor and the Lessee will each bear the respective fees and disbursements, if any, of their respective counsel.

ASSIGNMENT OF LEASE AND AGREEMENT dated as of September 1, 22
1973 (hereinafter called this Assignment), between THE FIFTH 24
THIRD LEASING COMPANY (hereinafter called the Lessor or the 25
Vendee) and FIRST SECURITY BANK OF UTAH, N.A., as Agent
(hereinafter called the Vendor). 26

WHEREAS, the Lessor and BURLINGTON NORTHERN INC. (hereinafter 28
called the Lessee) are entering into a Conditional Sale Agreement 29
dated as of the date hereof (hereinafter called the Security
Documents), with GENERAL ELECTRIC COMPANY (hereinafter called the 32
Builder), wherein the Builder has agreed to manufacture, sell and 33
deliver to the Lessor the units of railroad equipment described 34
in Schedule A thereto (hereinafter called the Units);

WHEREAS the Builder is assigning its interest in the Security 37
Documents to the Vendor;

WHEREAS the Lessor and the Lessee are entering into a Lease 39
of Railroad Equipment dated as of the date hereof (hereinafter 40
called the Lease), providing for the leasing by the Lessor to the 41
Lessee of the Units; and 42

WHEREAS, in order to provide security for the obligations of 44
the Lessor under the Security Documents and as an inducement to 45
the Vendor to invest in the Conditional Sale Indebtedness (as 46
that term is defined in the Security Documents), the Lessor 47
agrees to assign for security purposes its rights in, to and 48
under the Lease to the Vendor;

NOW, THEREFORE, in consideration of the premises and of the 50
payments to be made and the covenants hereinafter mentioned to be 51
kept and performed and subject to the last paragraph of Article 4 52
of the Security Documents, the parties hereto agree as follows: 53

1. Subject to the provisions of Paragraphs 11 and 12 hereof, 55
the Lessor hereby assigns, transfers and sets over unto the 56
Vendor, as collateral security for the payment and performance of 57
the obligations of the Lessor as Vendee under the Security 58
Documents, all the Lessor's right, title and interest, powers, 59
privileges, and other benefits under the Lease, including, 60
without limitation, the immediate right to receive and collect 61
all rentals, profits and other sums payable to or receivable by 62
the Lessor from the Lessee under or pursuant to the provisions of 63
the Lease whether as rent, casualty payment, indemnity, 64
liquidated damages, or otherwise (such moneys being hereinafter 65

called the Payments), and the right to make all waivers and 66
 agreements, to give all notices, consents and releases, to take 67
 all action upon the happening of an Event of Default specified in 68
 the Lease, and to do any and all other things whatsoever which 69
 the Lessor is or may become entitled to do under the Lease. In 70
 furtherance of the foregoing assignment, the Lessor hereby 71
 irrevocably authorizes and empowers the Vendor in its own name, 72
 or the name of its nominee, or in the name of the Lessor or as 73
 its attorney, to ask, demand, sue for, collect and receive any
 and all sums to which the Lessor is or may become entitled under 74
 the Lease, and to enforce compliance by the Lessee with all the 75
 terms and provisions thereof. 76

The Vendor agrees to accept any Payments made by the Lessee 78
 for the account of the Lessor pursuant to the Lease. To the 80
 extent received, the Vendor will apply such Payments to satisfy 81
 the obligations of the Lessor under the Security Documents. So 83
 long as no event of default (or event which, with notice or lapse 84
 of time, or both, could constitute an event of default) under the 85
 Security Documents shall have occurred and be continuing, any 86
 balance shall be paid to the Lessor.

2. This Assignment is executed only as security and, 88
 therefore, the execution and delivery of this Assignment shall 89
 not subject the Vendor to, or transfer, or pass, or in any way 90
 affect or modify the liability of the Lessor under the Lease, it 91
 being understood and agreed that notwithstanding this Assignment 92
 or any subsequent assignment, all obligations of the Lessor to 93
 the Lessee shall be and remain enforceable by the Lessee, its 94
 successors and assigns, against, and only against, the Lessor or 95
 persons other than the Vendor. 96

3. To protect the security afforded by this Assignment the 98
 Lessor agrees as follows: 99

(a) The Lessor will faithfully abide by, perform and 101
 discharge each and every obligation, covenant and agreement 102
 which the Lease provides are to be performed by the Lessor; 103
 without the written consent of the Vendor, the Lessor will 104
 not anticipate the rents under the Lease or waive, excuse, 105
 condone, forgive or in any manner release or discharge the 106
 Lessee thereunder of or from the obligations, covenants, 107
 conditions and agreements to be performed by the Lessee, 108
 including, without limitation, the obligation to pay the 109
 rents in the manner and at the time and place specified 110
 therein or enter into any agreement amending, modifying or 111
 terminating the Lease and the Lessor agrees that any 112
 amendment, modification or termination thereof without such 113
 consent shall be void.

(b) At the Lessor's sole cost and expense, the Lessor 115
 will appear in and defend every action or proceeding arising 116

under, growing out of or in any manner connected with the 117
obligations, duties or liabilities of the Lessor under the 118
Lease.

(c) Should the Lessor fail to make any payment or to do 120
any act which this Assignment requires the Lessor to make or 121
do, then the Vendor, but without obligation so to do, after 122
first making written demand upon the Lessor and affording the 123
Lessor a reasonable period of time within which to make such 124
payment or do such act, but without releasing the Lessor from 125
any obligation hereunder, may make or do the same in such 126
manner and to such extent as the Vendor may deem necessary to 127
protect the security hereof, such payments or acts including 128
specifically, without in any way limiting the general powers 129
of the Vendor, appearing in and defending any action or 130
proceeding purporting to affect the security hereof and the 132
rights or powers of the Vendor, and also performing and
discharging each and every obligation, covenant and agreement
of the Lessor contained in the Lease; and in exercising any 133
such powers, the Vendor may pay necessary costs and expenses, 134
employ counsel and incur and pay reasonable attorneys' fees, 135
and the Lessor will reimburse the Vendor for such costs, 136
expenses and fees. 137

4. Subject to the provisions of Paragraphs 11 and 12 hereof, 139
the Lessor does hereby constitute the Vendor the Lessor's true 140
and lawful attorney, irrevocably, with full power (in the name of 141
the Lessor, or otherwise), to ask, require, demand, receive,
compound and give acquittance for any and all Payments due and to 142
become due under or arising out of the Lease to which the Lessor 143
is or may become entitled, to enforce compliance by the Lessee 144
with all the terms and provisions of the Lease, to endorse any 145
checks or other instruments or orders in connection therewith and 146
to file any claims or take any action or institute any 147
proceedings which to the Vendor may seem to be necessary or 148
advisable in the premises.

5. Upon the full discharge and satisfaction of all the 150
Lessor's obligations under the Security Documents, this 151
Assignment and all rights herein assigned to the Vendor shall 152
terminate, and all estate, right, title and interest of the 153
Vendor in and to the Lease shall revert to the Lessor. 154

6. If an event of default under the Security Documents shall 156
occur and be continuing, the Vendor may declare all sums secured 157
hereby immediately due and payable and may apply all such sums 159
against the amounts due and payable under the Security Documents. 160

7. The Lessor will, from time to time, do and perform any 162
other act and will execute, acknowledge, deliver and file, 163
register, deposit and record (and will refile, reregister, 164
rerecord or redeposit whenever required) any and all further 165

instruments required by law or reasonably requested by the Vendor 166
 in order to confirm or further assure, the interests of the 167
 Vendor hereunder.

8. The Vendor may assign all or any of the rights assigned 169
 to it hereby or arising under the Lease, including, without 170
 limitation, the right to receive any Payments due or to become 171
 due. In the event of any such assignment, any such subsequent or 172
 successive assignee or assignees shall, to the extent of such 173
 assignment, enjoy all the rights and privileges and be subject to 174
 all the obligations of the Vendor hereunder. 175

9. This Assignment shall be governed by the laws of the 177
 State of Ohio, but the parties shall be entitled to all rights 178
 conferred by Section 20c of the Interstate Commerce Act. 179

10. The Lessor shall cause copies of all notices received in 182
 connection with the Lease and all payments hereunder to be
 promptly delivered or made to the Vendor at its address set forth 183
 in Article 22 of the Security Documents, or at such other address 184
 as the Vendor shall designate (with a copy to ITEL Leasing 186
 Corporation, One Embarcadero Center, San Francisco, California 187
 94111, attention of Contract Administration). 188

11. The Vendor hereby agrees with the Lessor that the Vendor 192
 will not, so long as no Event of Default under the Lease nor an 193
 event of default under the Security Documents has occurred and is 194
 then continuing, exercise or enforce, or seek to exercise or 195
 enforce, or avail itself of, any of the rights, powers, 196
 privileges, authorizations or benefits assigned and transferred 197
 by the Lessor to the Vendor by this Assignment. 198

12. It is the understanding of the parties to this 200
 Assignment that the parties to the Lease are entitled freely to 201
 renegotiate the provisions in said Lease relating to or affected 202
 by income taxes and the rentals to be paid by the Lessee if the 203
 Lessor is unable to obtain the favorable tax ruling described in
 Section 19 of the Lease. The provisions as renegotiated by the 204
 parties to said Lease do not require the consent of the Vendor to 205
 be effective so long as the rental payments are high enough to 206
 pay the Conditional Sale Indebtedness plus accrued interest as
 set forth in the Security Documents. 207

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.

THE FIFTH THIRD LEASING COMPANY
by *William J. Kim*

[CORPORATE SEAL]

Attest:

[Signature]
Assistant Secretary

FIRST SECURITY BANK
OF UTAH, N.A., as Agent,
by *[Signature]*
Authorized Officer

[CORPORATE SEAL]

Attest:

W. Starr Seaman
Authorized Officer



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STATE OF OHIO)	251
) ss.:	252
COUNTY OF HAMILTON)	253

On this 19 day of October, 1973, before me personally appeared William S. Rowe, to me personally known, who, being by me duly sworn, says that he is a ~~Vice~~ Vice President of THE FIFTH THIRD LEASING 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.

Irma S. Martin
Notary Public

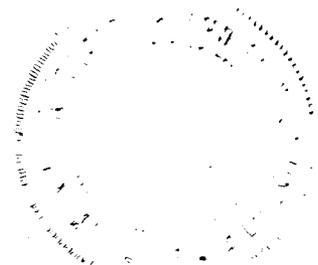
[NOTARIAL SEAL]		270
	IRMA S. MARTIN	271
	Notary Public, Hamilton County, Ohio	272
My Commission expires	My Commission Expires Oct. 14, 1974	274

STATE OF UTAH)	277
) ss.:	278
COUNTY OF SALT LAKE)	279

On this 17th day of October, 1973, before me personally appeared Robert S. Clark, to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY BANK OF UTAH, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said national association, that said instrument was signed and sealed on behalf of said national association by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national association.

Peggy Ann Ketschall
Notary Public

[NOTARIAL SEAL]		296
		297
My Commission expires	<u>Nov. 10, 1976</u>	299



ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

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Receipt of a copy of, and due notice of the assignment made
by, the foregoing Assignment of Lease and Agreement is hereby
acknowledged as of September 1, 1973.

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BURLINGTON NORTHERN INC.

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by Frank H. Coyne
Vice President

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