SSI RAIL CORP.

8931
RECORDATION NO. ..... Filed & Recorded
AUG 9 1977 - 11 21 AM
INTERSTATE COMMERCE COMMISSION

7-221 A024
AUG 9 1977
Date
Fee $ 100
ICC Washington, D. C.

8931-B
RECORDATION NO. ..... Filed & Recorded
AUG 9 1977 - 11 21 AM
INTERSTATE COMMERCE COMMISSION

August 5, 1977

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

Dear Sir:

Enclosed for filing with and recording by the Interstate Commerce Commission are the following documents:

File under B

~~Seven (7)~~ Six (6) executed copies of a Lease of Railroad Equipment (No. 5) dated as of August 1, 1977, between SSI Rail Corp., Two Embarcadero Center, San Francisco, California, 94111, and First Security State Bank, 79 South Main Street, Salt Lake City, Utah, 84111, acting not in its individual capacity, but solely as Trustee under a Trust Agreement with ITT Industrial Credit Company.

File under New no

~~Twelve (12)~~ Six (6)

~~Fourteen (14)~~ copies of a Purchase Order Assignment dated as of August 1, 1977, among SSI Rail Corp., Pullman Incorporated (Pullman Standard Division), 200 South Michigan Avenue, Chicago, Illinois, 60604, and First Security State Bank, not in its individual capacity, but solely as Owner-Trustee under a Trust Agreement with ITT Industrial Credit Company. ~~Seven (7)~~ Six (6) of these copies have been executed by First Security State Bank and SSI and ~~seven (7)~~ copies have been executed by Pullman Incorporated (Pullman Standard Division).

These documents cover the following equipment:

140 70-ton, 50'6", general purpose boxcars with 10" end-of-car cushioning (AAR Mechanical Designation XM), bearing the identifying numbers CCR 6150 to CCR 6289, inclusive.

Identifying marks on all of the foregoing equipment: The words, "OWNED BY A BANK OR TRUST COMPANY UNDER A SECURITY AGREEMENT FILED UNDER THE INTERSTATE COMMERCE ACT, SECTION 20C," printed on each side of each unit.

AUG 9 11 21 AM '77
RECEIVED
FEE OPERATION BR.
I.C.C.

Countyout Lorry

TWO EMBARCADERO CENTER SAN FRANCISCO, CALIFORNIA 94111 (415) 983-0123
TELEX 34-234 CABLE SSI
SUBSIDIARY OF THE ITEL CORPORATION

Also enclosed is our check in the sum of $100.00, payable to the Interstate Commerce Commission, being the prescribed fee for filing and recording the foregoing documents.

This equipment is being acquired by SSI under the Lease of Railroad Equipment being filed herewith. SSI will, in turn, lease the equipment to the Corinth and Counce Railroad Company pursuant to that certain Lease Agreement dated as of April 29, 1977, filed with the ICC on May 27, 1977 at 1:45 p.m. and assigned recordation number 8838. Therefore, we respectfully request that the documents submitted herein be cross-referenced to the aforementioned Lease Agreement.

The Lease of Railroad Equipment (No. 5) is guaranteed by the parent of SSI, ITEL Corporation, One Embarcadero Center, San Francisco, California, 94111.

Please return all additional copies of the enclosed counterparts not required by the Interstate Commerce Commission to the party delivering this letter on our behalf.

Very truly yours,

Martin D. Goodman
Secretary

MDG:md
Enc.

Interstate Commerce Commission
Washington, D.C. 20423

8/9/77

OFFICE OF THE SECRETARY

Martin D. Goodman
Two Embarcadero Center
San Francisco, Calif. 94111

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 20(c) of the Interstate Commerce Act, 49 U.S.C. 20(c), on 8/9/77 at 11:25am, and assigned recordation number(s) 8931 & 8931-A

Sincerely yours,

H.G. Homme, Jr.
Acting Secretary

Enclosure(s)

SE-30-T
(6/77)

RECORDATION NO. 31 Filed & Recorded

AUG 9 1977 - 11 25 AM

INTERSTATE COMMERCE COMMISSION

PURCHASE ORDER ASSIGNMENT dated as of August 1, 1977, among SSI RAIL CORP. (hereinafter called the Assignor), FIRST SECURITY STATE BANK, not in its individual capacity but solely as Owner-Trustee (hereinafter called the Assignee), under a Trust Agreement dated as of the date hereof (hereinafter called the Trust Agreement), between the Assignee and ITT INDUSTRIAL CREDIT COMPANY (hereinafter called the Owner), and PULLMAN INCORPORATED (Pullman Standard Division) (hereinafter called the Manufacturer).

WHEREAS the Assignor has entered into a certain agreement incorporated in telexes dated April 27, 1977, and May 10, 1977, from the Assignor to the Manufacturer, and a letter dated April 19, 1977, and telexes dated April 28, 1977, and May 11, 1977, from the Manufacturer to the Assignor (hereinafter called the Manufacturing Agreement) with the Manufacturer, pursuant to which the Manufacturer has agreed to construct and deliver to the Assignor, and the Assignor has agreed to purchase and take delivery of, certain units of railroad equipment (hereinafter called the Equipment);

WHEREAS the Assignee has entered into a Participation Agreement (hereinafter called the Participation Agreement) dated as of August 1, 1977, among the Assignor, the Assignee, the Owner, ITEL Corporation (hereinafter called ITEL), and the Purchasers named therein (hereinafter called the Purchasers);

WHEREAS the Assignee has entered into an Equipment Trust Agreement (hereinafter called the Equipment Trust Agreement) dated as of August 1, 1977, with First Security Bank of Utah, National Association, as Trustee (hereinafter called the Trustee);

WHEREAS the Assignor has entered into a Lease of Railroad Equipment (hereinafter called the Lease) dated as of August 1, 1977, with the Assignee; and

WHEREAS the Assignee desires to purchase and take delivery of those units of Equipment described in Item 1 of Schedule A hereto, as are delivered and accepted pursuant to the terms hereof on or prior to October 31, 1977 (such units being hereinafter called the Assigned Equipment and such date being hereinafter called the Cutoff Date), and the Assignor agrees to assign its rights to purchase and take delivery of

the Assigned Equipment to the Assignee;

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

1. The Assignor hereby assigns, transfers and sets over unto the Assignee, its successors and assigns:

(a) all the right, title and interest of the Assignor in and to the Assigned Equipment; and

(b) all the right, title and interest of the Assignor in and to the Manufacturing Agreement, in so far as the Manufacturing Agreement relates to the Assigned Equipment;

provided, however, that the Assignor reserves its rights against the Manufacturer with respect to any warranties of the Manufacturer and any agreements of the Manufacturer to indemnify the Assignor against any losses.

2. The Assignee accepts the assignments herein contained, and assumes the obligations of the Assignor under the Manufacturing Agreement to purchase the Assigned Equipment and agrees to pay the Purchase Price (as hereinafter defined) of the Assigned Equipment as provided in the Equipment Trust Agreement, but the Assignee assumes no other duties or obligations of the Assignor under the Manufacturing Agreement whatsoever; provided, however, that the Assignor shall remain liable to the Manufacturer in respect of its duties and obligations (except as herein assumed by the Assignee) in accordance with the Manufacturing Agreement; provided, further, however, that the Manufacturer shall not deliver any unit of the Assigned Equipment hereunder subsequent to, and the Assignee and the Trustee shall have no obligation to purchase and pay for any unit of the Assigned Equipment delivered subsequent to, receipt of a written notice from the Assignor, the Assignee, the Trustee, any Purchaser or the Owner notifying the Manufacturer of (i) the commencement of any proceedings specified in clause (d) or (e) of Section 5.01 of the Equipment Trust Agreement, (ii) the occurrence of any Event of Default as described in Section 5.01 of the Equipment Trust Agreement or § 10 of the Lease, or event which with lapse of time and/or demand, could constitute such Event of Default, (iii) the material falseness of any of the representations and warranties of the Assignor or ITEL made in Paragraph 3 of the Participation Agreement at and as of the time such representations and warranties were so made or (iv) the fact that any of the conditions contained in Paragraph 8 of the

Participation Agreement have not been met or the conditions contained in Paragraph 9 of the Participation Agreement have not been met or waived. In addition, the Manufacturer shall not invoice any unit of the Assigned Equipment hereunder delivered subsequent to, and the Assignee and the Trustee shall have no obligation to purchase and pay for any unit of Assigned Equipment delivered subsequent to, (i) the time at which the aggregate Purchase Price of the Assigned Equipment delivered hereunder exceeds the maximum purchase price set forth in Item 2 of Schedule A hereto or (ii) the Cutoff Date. The Assignor affirms hereunder that it shall be solely obligated to purchase and pay for pursuant to the Manufacturing Agreement any unit of the Equipment which is excluded from this Assignment because (A) it is delivered after the Manufacturer shall have received any notice described in the second proviso to the first sentence of this Paragraph 2 or (B) such maximum purchase price is exceeded or (C) such unit is delivered after the Cutoff Date, but the Assignor shall have no obligation to the Manufacturer to purchase, or make payment under the Manufacturing Agreement in respect of, any unit of Assigned Equipment which the Assignee is obligated to purchase hereunder. The Manufacturer hereby consents to the terms of this Assignment and accepts all its duties hereunder, including, without limitation, its duties as to termination of deliveries. The Manufacturer also agrees to the limitation of the obligations of the Assignee and the Trustee to purchase and pay for the Assigned Equipment as set forth in this Assignment and Article Three of the Equipment Trust Agreement.

The term Purchase Price as used herein means with respect to each unit of the Assigned Equipment the base price for such unit set forth in Item 1 of Schedule A hereto as increased or decreased by agreement between the Manufacturer and the Assignor, plus freight and storage charges, if any, and any applicable sales taxes, all as set forth in the invoice of the Manufacturer for such unit, which invoice shall have endorsed thereon the certification of the Assignor as to the correctness of the price stated therein.

3. The Assignor represents and warrants that:

(a) the Manufacturing Agreement is in full force and effect and is enforceable in accordance with its terms, and neither the Manufacturer nor the Assignor is in default thereunder;

(b) insofar as it relates to the Assigned Equip-

ment, the Assignor is the lawful owner of its rights under the Manufacturing Agreement, free from all claims (other than any rights which any railroad company may have to lease such Assigned Equipment pursuant to a Sublease (as defined in the Lease) or any other sublease covering such Assigned Equipment permitted by the Lease), liens, security interests and encumbrances, and the Assignor has the right to sell and assign the Manufacturing Agreement as set forth herein and the Assignor will warrant and defend this Assignment against the lawful claims and demands of all persons; and

(c) none of the units of the Assigned Equipment has been delivered by the Manufacturer and no payment has been made in respect thereof to the Manufacturer.

4. The units of Assigned Equipment shall be settled for pursuant to the terms hereof on the closing date specified in Item 1 of Annex A hereto or on such other later date or dates as shall be agreed to by the Manufacturer and the Assignee and as to which the Assignee and the Trustee shall have received five business days prior notice (each such date being hereinafter called a Closing Date) (the units of Equipment settled for on a Closing Date or the Second Closing Date (as hereinafter defined) being hereinafter called a Group); provided, however, that if any Purchaser shall have failed to purchase on or prior to a Closing Date the aggregate principal amount of Trust Certificates (as defined in the Equipment Trust Agreement) to be purchased by such Purchaser on or prior to such Closing Date pursuant to the Participation Agreement (and such aggregate principal amount of Trust Certificates which was not purchased by such Purchaser shall not have been purchased on or prior to such Closing Date by another Purchaser or a purchaser satisfactory to the Trustee), then (a) on such Closing Date units of the Assigned Equipment in the Group to be settled for on such Closing Date having an aggregate Purchase Price equal to the quotient of (i) the amount of Deposited Cash (as defined in the Equipment Trust Agreement) held by the Trustee on such date divided by (ii) 73.0669% shall be settled for on such Closing Date and (b) the balance of such Group shall be settled for on a later date (herein called the Second Closing Date) not later than October 31, 1977, as may be designated by the Assignee and the Trustee to the Manufacturer on not less than five business days' prior written notice.

5. With respect to Equipment settled for as

Assigned Equipment pursuant to the terms hereof, on each Closing Date and the Second Closing Date, as the case may be, the Assignee shall pay or cause to be paid out of the proceeds of the sale of Trust Certificates and funds received from the Owner, to the Manufacturer the Purchase Price of the Assigned Equipment in such Group then being settled for, provided that there shall have been delivered to the Assignee and the Trustee, on or prior to such Closing Date or the Second Closing Date, as the case may be, the following documents in such number of counterparts or copies as may reasonably be requested in form and substance satisfactory to them:

(i) a certificate of an officer of the Manufacturer dated such Closing Date or the Second Closing Date, as the case may be, representing and warranting on behalf of the Manufacturer that (A) the Assigned Equipment described and specified therein by numbers has been delivered and accepted on or prior to such Closing Date or the Second Closing Date, as the case may be, and has been marked with the following legend:

"OWNED BY A BANK OR TRUST COMPANY UNDER A SECURITY AGREEMENT FILED UNDER THE INTERSTATE COMMERCE ACT, SECTION 20C"

or such other words as shall be approved by the Assignee and the Trustee and (B) such Assigned Equipment is new standard-gauge railroad equipment first put into service no earlier than the date of delivery and acceptance thereof by or on behalf of the Assignee;

(ii) a bill or bills of sale from the Manufacturer transferring all right, title and interest of the Manufacturer in and to such Assigned Equipment to the Assignee and the Trustee (the Trustee's interest being limited to security title under the Equipment Trust Agreement), warranting to the Trustee, the Owner, the Assignee and the Assignor that at the time of delivery of such Assigned Equipment to the Assignee, the Manufacturer had legal title to the Assigned Equipment described therein and good and lawful right to sell such Assigned Equipment and that title to such Assigned Equipment was, at the time of such delivery, free from all claims, liens, security interests and other encumbrances of any nature except as created by the Manufacturing Agreement, the Equipment Trust Agreement and this Assignment and except for the rights of the Assignor under

the Lease and the rights of the sublessee under any sublease covering such Assigned Equipment, and covenanting to defend the title to such Assigned Equipment against the demands of all persons whomsoever based on claims originating prior to the delivery of such Assigned Equipment by the Manufacturer under this Assignment;

(iii) an opinion of counsel for the Manufacturer to the effect that (A) the Manufacturer is a duly organized and existing corporation in good standing under the laws of the state of its incorporation, (B) this Assignment and the Manufacturing Agreement have been duly authorized, executed and delivered by the Manufacturer and, assuming the due authorization, execution and delivery by the other parties hereto and the other party thereto are legal and valid instruments binding upon and enforceable against the Manufacturer in accordance with their respective terms, (C) the units of the Assigned Equipment in such Group then being settled for, at the time of delivery thereof, were free of all claims, liens, security interests and other encumbrances of any nature except as created by this Assignment and the Manufacturing Agreement, the Equipment Trust Agreement, the Lease and any sublease covering such units and (D) such bill or bills of sale have been duly authorized, executed and delivered by the Manufacturer and are valid and effective to transfer all right, title and interest of the Manufacturer in and to such Assigned Equipment, free of all claims, liens, security interests or other encumbrances of any nature of or arising from, through or under the Manufacturer, to the Assignee, subject to the security title of the Trustee under the Equipment Trust Agreement;

(iv) an invoice or invoices with respect to such Assigned Equipment from the Manufacturer to the Assignee describing the units of Assigned Equipment in such Group, having endorsed thereon the certification of the Assignor as to the correctness of the prices stated therein; and

(v) Certificates of Acceptance (as defined in the Lease) covering such Assigned Equipment.

Counsel may qualify its opinion specified above to the effect that any agreement is enforceable against the Manufacturer in accordance with its terms by a general reference to limitations as to enforceability imposed by

bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally.

6. No variation of modification of the Manufacturing Agreement, except as herein provided, and no waiver of any of its provisions or conditions shall be valid with respect to any unit of the Assigned Equipment unless in writing and signed by a duly authorized signatory for the Assignee.

7. The Assignee appoints the Assignor its agent to inspect and accept delivery of the units of Assigned Equipment.

8. It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, undertakings and agreements herein made on the part of the Assignee are each and every one of them made and intended not as personal representations, undertakings and agreements by the Assignee, or for the purpose or with the intention of binding the Assignee personally but are made and intended for the purpose of binding only the Trust Estate (as such term is defined in the Trust Agreement) and this Agreement is executed and delivered by the Assignee solely in the exercise of the powers expressly conferred upon the Assignee as Owner-Trustee under the Trust Agreement; and that no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Assignee (except as provided in Section 4.01 of the Trust Agreement) or on account of any representation, undertaking or agreement of the Assignee, as Assignee (except as provided in Section 4.01 of the Trust Agreement) either expressed or implied, all such personal liability, if any, being expressly waived and released by the Manufacturer and by all persons claiming by, through or under the Manufacturer; provided, however, that the Manufacturer or any person claiming by, through or under the Manufacturer making claim hereunder, may look to said Trust Estate for satisfaction of the same.

9. The Manufacturer represents that it is not entering into this Agreement, or into any other transaction contemplated hereby, directly or indirectly in connection with any arrangement or understanding in any way involving any employee benefit plan (other than a governmental plan)

with respect to which it, the Owner, any Purchaser, the Assignor or the Assignee in its individual capacity is a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974.

10. This Assignment 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 Assignment is dated for convenience as of the date specified in the introductory paragraph of this Assignment, 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 Assignment to be executed by their respective duly authorized officers, all as of the date first above written.

SSI RAIL CORP.,

by _____
Vice President

[Corporate Seal]

Attest:

_____
Secretary

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

by _____
Authorized Officer

[Seal]

Attest:

_____
Authorized Officer

PULLMAN INCORPORATED
(Pullman Standard Division),

by

_____
Vice President--Freight Unit

[Corporate Seal]

Attest:

_____
Assistant Secretary

STATE OF CALIFORNIA,)
) ss.:
COUNTY OF SAN FRANCISCO,)

On this 5th day of August 1977, before me personally appeared Donald W. Deason, to me personally known, who, being by me duly sworn, says that he is a Vice-President of SSI RAIL CORP., that the seal affixed to the foregoing instrument is the corporate seal of said corporation and 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.

Terry L Russell
Notary Public

[Notarial Seal]

My Commission Expires

SEAL
TER RUSSELL
No California
Sa County
My Commission Ex 10, 1980

OFFICIAL SEAL
TERRY L. RUSSELL
Notary Public - California
San Francisco County
My Commission Expires May 10, 19

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

On this 5th day of August 1977, before me personally appeared Fred L Mayberg, to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY STATE BANK, that one of the seals affixed to the foregoing instrument is the seal of said bank and that said instrument was signed and sealed on behalf of said bank by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said bank.

Susan M. Howard
Notary Public

[Notarial Seal]

My Commission Expires

My commission expires June 6, 1981

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of 1977, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President--Freight Unit of PULLMAN INCORPORATED (Pullman Standard Division), that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and 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.

Notary Public

[Notarial Seal]

My Commission Expires

SCHEDULE A
to Purchase Order Assignment

ITEM 1: Assigned Equipment

Manufacturer	Type	Quantity	Car Numbers (incl.)	Unit Base Price	Total Base Price	Estimated Time of Delivery	Closing Date
Pullman Incorporated (Pullman Standard Division)	70 ton, 50'6" Boxcars with 10' sliding doors and 10" end-of-car cushioning AAR Mechanical Designation XM	140	CCR 6150-6289	$31,252.40	$4,375,336	August 5, 1977	August 25, 1977

ITEM 2: Maximum Purchase Price: $5,031,636.40

PURCHASE ORDER ASSIGNMENT dated as of August 1, 1977, among SSI RAIL CORP. (hereinafter called the Assignor), FIRST SECURITY STATE BANK, not in its individual capacity but solely as Owner-Trustee (hereinafter called the Assignee), under a Trust Agreement dated as of the date hereof (hereinafter called the Trust Agreement), between the Assignee and ITT INDUSTRIAL CREDIT COMPANY (hereinafter called the Owner), and PULLMAN INCORPORATED (Pullman Standard Division) (hereinafter called the Manufacturer).

WHEREAS the Assignor has entered into a certain agreement incorporated in telexes dated April 27, 1977, and May 10, 1977, from the Assignor to the Manufacturer, and a letter dated April 19, 1977, and telexes dated April 28, 1977, and May 11, 1977, from the Manufacturer to the Assignor (hereinafter called the Manufacturing Agreement) with the Manufacturer, pursuant to which the Manufacturer has agreed to construct and deliver to the Assignor, and the Assignor has agreed to purchase and take delivery of, certain units of railroad equipment (hereinafter called the Equipment);

WHEREAS the Assignee has entered into a Participation Agreement (hereinafter called the Participation Agreement) dated as of August 1, 1977, among the Assignor, the Assignee, the Owner, ITEL Corporation (hereinafter called ITEL), and the Purchasers named therein (hereinafter called the Purchasers);

WHEREAS the Assignee has entered into an Equipment Trust Agreement (hereinafter called the Equipment Trust Agreement) dated as of August 1, 1977, with First Security Bank of Utah, National Association, as Trustee (hereinafter called the Trustee);

WHEREAS the Assignor has entered into a Lease of Railroad Equipment (hereinafter called the Lease) dated as of August 1, 1977, with the Assignee; and

WHEREAS the Assignee desires to purchase and take delivery of those units of Equipment described in Item 1 of Schedule A hereto, as are delivered and accepted pursuant to the terms hereof on or prior to October 31, 1977 (such units being hereinafter called the Assigned Equipment and such date being hereinafter called the Cutoff Date), and the Assignor agrees to assign its rights to purchase and take delivery of

the Assigned Equipment to the Assignee;

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

1. The Assignor hereby assigns, transfers and sets over unto the Assignee, its successors and assigns:

(a) all the right, title and interest of the Assignor in and to the Assigned Equipment; and

(b) all the right, title and interest of the Assignor in and to the Manufacturing Agreement, in so far as the Manufacturing Agreement relates to the Assigned Equipment;

provided, however, that the Assignor reserves its rights against the Manufacturer with respect to any warranties of the Manufacturer and any agreements of the Manufacturer to indemnify the Assignor against any losses.

2. The Assignee accepts the assignments herein contained, and assumes the obligations of the Assignor under the Manufacturing Agreement to purchase the Assigned Equipment and agrees to pay the Purchase Price (as hereinafter defined) of the Assigned Equipment as provided in the Equipment Trust Agreement, but the Assignee assumes no other duties or obligations of the Assignor under the Manufacturing Agreement whatsoever; provided, however, that the Assignor shall remain liable to the Manufacturer in respect of its duties and obligations (except as herein assumed by the Assignee) in accordance with the Manufacturing Agreement; provided, further, however, that the Manufacturer shall not deliver any unit of the Assigned Equipment hereunder subsequent to, and the Assignee and the Trustee shall have no obligation to purchase and pay for any unit of the Assigned Equipment delivered subsequent to, receipt of a written notice from the Assignor, the Assignee, the Trustee, any Purchaser or the Owner notifying the Manufacturer of (i) the commencement of any proceedings specified in clause (d) or (e) of Section 5.01 of the Equipment Trust Agreement, (ii) the occurrence of any Event of Default as described in Section 5.01 of the Equipment Trust Agreement or § 10 of the Lease, or event which with lapse of time and/or demand, could constitute such Event of Default, (iii) the material falseness of any of the representations and warranties of the Assignor or ITEL made in Paragraph 3 of the Participation Agreement at and as of the time such representations and warranties were so made or (iv) the fact that any of the conditions contained in Paragraph 8 of the

Participation Agreement have not been met or the conditions contained in Paragraph 9 of the Participation Agreement have not been met or waived. In addition, the Manufacturer shall not invoice any unit of the Assigned Equipment hereunder delivered subsequent to, and the Assignee and the Trustee shall have no obligation to purchase and pay for any unit of Assigned Equipment delivered subsequent to, (i) the time at which the aggregate Purchase Price of the Assigned Equipment delivered hereunder exceeds the maximum purchase price set forth in Item 2 of Schedule A hereto or (ii) the Cutoff Date. The Assignor affirms hereunder that it shall be solely obligated to purchase and pay for pursuant to the Manufacturing Agreement any unit of the Equipment which is excluded from this Assignment because (A) it is delivered after the Manufacturer shall have received any notice described in the second proviso to the first sentence of this Paragraph 2 or (B) such maximum purchase price is exceeded or (C) such unit is delivered after the Cutoff Date, but the Assignor shall have no obligation to the Manufacturer to purchase, or make payment under the Manufacturing Agreement in respect of, any unit of Assigned Equipment which the Assignee is obligated to purchase hereunder. The Manufacturer hereby consents to the terms of this Assignment and accepts all its duties hereunder, including, without limitation, its duties as to termination of deliveries. The Manufacturer also agrees to the limitation of the obligations of the Assignee and the Trustee to purchase and pay for the Assigned Equipment as set forth in this Assignment and Article Three of the Equipment Trust Agreement.

The term Purchase Price as used herein means with respect to each unit of the Assigned Equipment the base price for such unit set forth in Item 1 of Schedule A hereto as increased or decreased by agreement between the Manufacturer and the Assignor, plus freight and storage charges, if any, and any applicable sales taxes, all as set forth in the invoice of the Manufacturer for such unit, which invoice shall have endorsed thereon the certification of the Assignor as to the correctness of the price stated therein.

3. The Assignor represents and warrants that:

(a) the Manufacturing Agreement is in full force and effect and is enforceable in accordance with its terms, and neither the Manufacturer nor the Assignor is in default thereunder;

(b) insofar as it relates to the Assigned Equip-

ment, the Assignor is the lawful owner of its rights under the Manufacturing Agreement, free from all claims (other than any rights which any railroad company may have to lease such Assigned Equipment pursuant to a Sublease (as defined in the Lease) or any other sublease covering such Assigned Equipment permitted by the Lease), liens, security interests and encumbrances, and the Assignor has the right to sell and assign the Manufacturing Agreement as set forth herein and the Assignor will warrant and defend this Assignment against the lawful claims and demands of all persons; and

(c) none of the units of the Assigned Equipment has been delivered by the Manufacturer and no payment has been made in respect thereof to the Manufacturer.

4. The units of Assigned Equipment shall be settled for pursuant to the terms hereof on the closing date specified in Item 1 of Annex A hereto or on such other later date or dates as shall be agreed to by the Manufacturer and the Assignee and as to which the Assignee and the Trustee shall have received five business days prior notice (each such date being hereinafter called a Closing Date) (the units of Equipment settled for on a Closing Date or the Second Closing Date (as hereinafter defined) being hereinafter called a Group); provided, however, that if any Purchaser shall have failed to purchase on or prior to a Closing Date the aggregate principal amount of Trust Certificates (as defined in the Equipment Trust Agreement) to be purchased by such Purchaser on or prior to such Closing Date pursuant to the Participation Agreement (and such aggregate principal amount of Trust Certificates which was not purchased by such Purchaser shall not have been purchased on or prior to such Closing Date by another Purchaser or a purchaser satisfactory to the Trustee), then (a) on such Closing Date units of the Assigned Equipment in the Group to be settled for on such Closing Date having an aggregate Purchase Price equal to the quotient of (i) the amount of Deposited Cash (as defined in the Equipment Trust Agreement) held by the Trustee on such date divided by (ii) 73.0669% shall be settled for on such Closing Date and (b) the balance of such Group shall be settled for on a later date (herein called the Second Closing Date) not later than October 31, 1977, as may be designated by the Assignee and the Trustee to the Manufacturer on not less than five business days' prior written notice.

5. With respect to Equipment settled for as

Assigned Equipment pursuant to the terms hereof, on each Closing Date and the Second Closing Date, as the case may be, the Assignee shall pay or cause to be paid out of the proceeds of the sale of Trust Certificates and funds received from the Owner, to the Manufacturer the Purchase Price of the Assigned Equipment in such Group then being settled for, provided that there shall have been delivered to the Assignee and the Trustee, on or prior to such Closing Date or the Second Closing Date, as the case may be, the following documents in such number of counterparts or copies as may reasonably be requested in form and substance satisfactory to them:

(i) a certificate of an officer of the Manufacturer dated such Closing Date or the Second Closing Date, as the case may be, representing and warranting on behalf of the Manufacturer that (A) the Assigned Equipment described and specified therein by numbers has been delivered and accepted on or prior to such Closing Date or the Second Closing Date, as the case may be, and has been marked with the following legend:

"OWNED BY A BANK OR TRUST COMPANY UNDER A SECURITY AGREEMENT FILED UNDER THE INTERSTATE COMMERCE ACT, SECTION 20C"

or such other words as shall be approved by the Assignee and the Trustee and (B) such Assigned Equipment is new standard-gauge railroad equipment first put into service no earlier than the date of delivery and acceptance thereof by or on behalf of the Assignee;

(ii) a bill or bills of sale from the Manufacturer transferring all right, title and interest of the Manufacturer in and to such Assigned Equipment to the Assignee and the Trustee (the Trustee's interest being limited to security title under the Equipment Trust Agreement), warranting to the Trustee, the Owner, the Assignee and the Assignor that at the time of delivery of such Assigned Equipment to the Assignee, the Manufacturer had legal title to the Assigned Equipment described therein and good and lawful right to sell such Assigned Equipment and that title to such Assigned Equipment was, at the time of such delivery, free from all claims, liens, security interests and other encumbrances of any nature except as created by the Manufacturing Agreement, the Equipment Trust Agreement and this Assignment and except for the rights of the Assignor under

the Lease and the rights of the sublessee under any sublease covering such Assigned Equipment, and covenanting to defend the title to such Assigned Equipment against the demands of all persons whomsoever based on claims originating prior to the delivery of such Assigned Equipment by the Manufacturer under this Assignment;

(iii) an opinion of counsel for the Manufacturer to the effect that (A) the Manufacturer is a duly organized and existing corporation in good standing under the laws of the state of its incorporation, (B) this Assignment and the Manufacturing Agreement have been duly authorized, executed and delivered by the Manufacturer and, assuming the due authorization, execution and delivery by the other parties hereto and the other party thereto are legal and valid instruments binding upon and enforceable against the Manufacturer in accordance with their respective terms, (C) the units of the Assigned Equipment in such Group then being settled for, at the time of delivery thereof, were free of all claims, liens, security interests and other encumbrances of any nature except as created by this Assignment and the Manufacturing Agreement, the Equipment Trust Agreement, the Lease and any sublease covering such units and (D) such bill or bills of sale have been duly authorized, executed and delivered by the Manufacturer and are valid and effective to transfer all right, title and interest of the Manufacturer in and to such Assigned Equipment, free of all claims, liens, security interests or other encumbrances of any nature of or arising from, through or under the Manufacturer, to the Assignee, subject to the security title of the Trustee under the Equipment Trust Agreement;

(iv) an invoice or invoices with respect to such Assigned Equipment from the Manufacturer to the Assignee describing the units of Assigned Equipment in such Group, having endorsed thereon the certification of the Assignor as to the correctness of the prices stated therein; and

(v) Certificates of Acceptance (as defined in the Lease) covering such Assigned Equipment.

Counsel may qualify its opinion specified above to the effect that any agreement is enforceable against the Manufacturer in accordance with its terms by a general reference to limitations as to enforceability imposed by

bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally.

6. No variation of modification of the Manufacturing Agreement, except as herein provided, and no waiver of any of its provisions or conditions shall be valid with respect to any unit of the Assigned Equipment unless in writing and signed by a duly authorized signatory for the Assignee.

7. The Assignee appoints the Assignor its agent to inspect and accept delivery of the units of Assigned Equipment.

8. It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, undertakings and agreements herein made on the part of the Assignee are each and every one of them made and intended not as personal representations, undertakings and agreements by the Assignee, or for the purpose or with the intention of binding the Assignee personally but are made and intended for the purpose of binding only the Trust Estate (as such term is defined in the Trust Agreement) and this Agreement is executed and delivered by the Assignee solely in the exercise of the powers expressly conferred upon the Assignee as Owner-Trustee under the Trust Agreement; and that no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Assignee (except as provided in Section 4.01 of the Trust Agreement) or on account of any representation, undertaking or agreement of the Assignee, as Assignee (except as provided in Section 4.01 of the Trust Agreement) either expressed or implied, all such personal liability, if any, being expressly waived and released by the Manufacturer and by all persons claiming by, through or under the Manufacturer; provided, however, that the Manufacturer or any person claiming by, through or under the Manufacturer making claim hereunder, may look to said Trust Estate for satisfaction of the same.

9. The Manufacturer represents that it is not entering into this Agreement, or into any other transaction contemplated hereby, directly or indirectly in connection with any arrangement or understanding in any way involving any employee benefit plan (other than a governmental plan)

with respect to which it, the Owner, any Purchaser, the Assignor or the Assignee in its individual capacity is a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974.

10. This Assignment 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 Assignment is dated for convenience as of the date specified in the introductory paragraph of this Assignment, 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 Assignment to be executed by their respective duly authorized officers, all as of the date first above written.

SSI RAIL CORP.,

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Secretary

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

by

_____
Authorized Officer

[Seal]

Attest:

_____
Authorized Officer

PULLMAN INCORPORATED
(Pullman Standard Division),

by _____
Vice President--Freight Unit

[Corporate Seal]

Attest:

_____
Assistant Secretary

STATE OF CALIFORNIA,)
) ss.:
COUNTY OF SAN FRANCISCO,)

On this day of 1977, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice-President of SSI RAIL CORP., that the seal affixed to the foregoing instrument is the corporate seal of said corporation and 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.

_____
Notary Public

[Notarial Seal]

My Commission Expires

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

On this day of 1977, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY STATE BANK, that one of the seals affixed to the foregoing instrument is the seal of said bank and that said instrument was signed and sealed on behalf of said bank by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said bank.

_____
Notary Public

[Notarial Seal]

My Commission Expires

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 8th day of August 1977, before me personally appeared HUGH W. FOSTER, to me personally known, who, being by me duly sworn, says that he is a Vice President—Freight Unit of PULLMAN INCORPORATED (Pullman Standard Division), that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and 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.

Margaret M. Keenan
Notary Public

[Notarial Seal]

My Commission Expires March 11, 1981

SCHEDULE A
to Purchase Order Assignment

ITEM 1: Assigned Equipment

Manufacturer	Type	Quantity	Car Numbers (incl.)	Unit Base Price	Total Base Price	Estimated Time of Delivery	Closing Date
Pullman Incorporated (Pullman Standard Division)	70 ton, 50'6" Boxcars with 10' sliding doors and 10" end-of-car cushioning AAR Mechanical Designation XM	140	CCR 6150-6289	$31,252.40	$4,375,336	August 5, 1977	August 25, 1977

ITEM 2: Maximum Purchase Price: $5,031,636.40