RECORDATION NO. 8996-E Filed & Recorded
SEP 15 1977 -3 45 PM
INTERSTATE COMMERCE COMMISSION

CRAVATH, SWAINE & MOORE
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NEW YORK, N.Y. 10005
212 HANOVER 2-3000
INTERNATIONAL TELEX: 620976
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MAURICE T. MOORE
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STEWARD R. BROSS, JR.
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WILLIAM J. SCHRENK, JR.
BENJAMIN F. CRANE
FRANCIS F. RANDOLPH, JR.
JOHN F. HUNT, JR.
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WAYNE E. CHAPMAN
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MELVIN L. BEDRICK
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JAMES H. DUFFY
ALAN J. HRUska
JOHN E. YOUNG
JAMES M. EDWARDS
DAVID G. ORMSBY
DAVID L. SCHWARZ
RICHARD J. HIEGEL
FREDERICK A. O. SCHWARZ, JR.
CHRISTINE BESHAR
ROBERT S. MAW
DAVID BOIES
DAVID O. BROWNWOOD
PAUL M. DODYK
RICHARD M. ALLEN
THOMAS R. BROME
ROBERT D. JOFFE
ROBERT F. MULLEN
ALLEN FINKELSON
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JOSEPH R. SAHID
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CRAVATH, N.Y.
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RECORDATION NO. 8996-C Filed & Recorded
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INTERSTATE COMMERCE COMMISSION
RECORDATION NO. 8996-A Filed & Recorded
SEP 15 1977 -3 45 PM
INTERSTATE COMMERCE COMMISSION
7-258A080
RECORDATION NO. 8996-D Filed & Recorded
SEP 15 1977 -3 45 PM
INTERSTATE COMMERCE COMMISSION
Date SEP 15 1977
Fee $ 200
Washington, D. C.

September 14, 1977

RECORDATION NO. 8996-B Filed & Recorded
SEP 15 1977 -3 45 PM
INTERSTATE COMMERCE COMMISSION

File under one number

Trailer Train Company
Lease Financing dated as of August 1, 1977

Dear Sir:

Herewith for recordation pursuant to Section 20c of the Interstate Commerce Act, on behalf of Trailer Train Company are counterparts of the following:

(1) Conditional Sale Agreement No. 1 dated as of August 1, 1977, between First Security State Bank, as trustee, owner-trustee and each of Bethlehem Steel Corporation and Pullman Incorporated (Pullman Standard Division), as builders, vendor.

white front pages.

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(2) Lease of Railroad Equipment No. 1 dated as of August 1, 1977, between Trailer Train Company, as lessee, and First Security State Bank, as trustee, owner-trustee.

(3) Assignment of Lease and Agreement No. 1 dated as of August 1, 1977, between First Security State Bank, as trustee, owner-trustee and First Security Bank of Utah, N.A., as agent.

(4) Agreement and Assignment No. 1 dated as of August 1, 1977, between each of Bethlehem Steel Corporation and Pullman Incorporated (Pullman Standard Division), as builders, and First Security Bank of Utah, N.A., as agent, assignee.

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Counterpart — Larry D. Utterback

Blue front pages

(5) Conditional Sale Agreement No. 2 dated as of August 1, 1977, between First Security State Bank, as trustee, owner-trustee, and each of Bethlehem Steel Corporation and Pullman Incorporated (Pullman Standard Division) as builders, vendor.

(6) Lease of Railroad Equipment No. 2 dated as of August 1, 1977, between Trailer Train Company, as lessee, and First Security Bank, as trustee, owner-trustee.

(7) Assignment of Lease No. 2 dated as of August 1, 1977, between First Security State Bank, as trustee, owner-trustee, and First Security Bank of Utah, N.A., as agent.

(8) Agreement and Assignment No. 2 dated as of August 1, 1977, between each of Bethlehem Steel Corporation and Pullman Incorporated (Pullman Standard Division), as builders, and First Security Bank of Utah, N.A., as agent, assignee.

The addresses of the parties to the aforementioned agreements are:

Please index under all the parties

Trustee-Owner-Trustee:

First Security State Bank,
P. O. Box 30007,
Salt Lake City, Utah 84125.

Builders-Vendor:

Bethlehem Steel Corporation,
Bethlehem, Pennsylvania 18016.

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

Lessee:

Trailer Train Company,
300 South Wacker Drive,
Chicago, Illinois 60606.

Agent-Assignee:

First Security Bank of Utah, N.A.,
79 South Main Street,
Salt Lake City, Utah 84125.

The equipment covered by the aforementioned agreements consists of 280 89'4" 70-ton low level flat cars, 30 89'4" 70-ton standard level flat cars and 377 89'4" 70-ton all purpose cars bearing the road numbers of the lessee 852287 through 852566, 942445 through 942474 and 978290 through 978666 and also bearing the legend "Owned by a Bank or Trust Company under a Security Agreement Filed under the Interstate Commerce Act, Section 20c".

Enclosed is our check for $200 for the required recordation fee. Please accept for recordation one counterpart of each of the enclosed agreements, stamp the remaining counterparts with your recordation number and return them to the delivering messenger along with your fee receipt, addressed to the undersigned.

Very truly yours,

Laurance V. Goodrich

Laurance V. Goodrich

Robert L. Oswald, Esq., Secretary,
Interstate Commerce Commission,
Washington, D. C. 20423

Encls.

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BY HAND

8996-C
RECORDATION NO. ..... Filed & Recorded
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INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF LEASE AND AGREEMENT dated as of August 1, 1977 (hereinafter called this Assignment), by and between FIRST SECURITY STATE BANK, not in its individual capacity but solely as Trustee (hereinafter, together with its successors and assigns, called the Owner-Trustee) under a Trust Agreement dated as of the date hereof, with MICHIGAN NATIONAL LEASING CORPORATION and THE LIBERTY NATIONAL LEASING CORPORATION (hereinafter individually called the Owner and collectively the Owners), and FIRST SECURITY BANK OF UTAH, N.A., not in its individual capacity but solely as agent under the Participation Agreement (hereinafter called the Agent) for certain institutional investors (hereinafter called the Investors) under a Participation Agreement dated as of the date hereof among the Owner-Trustee, the Owner, the Agent, the Investors and Trailer Train Company (hereinafter called the Lessees).

WHEREAS the Owner-Trustee is entering into a Conditional Sale Agreement No. 1 dated as of the date hereof (hereinafter called the Security Document) with Bethlehem Steel Corporation and Pullman Incorporated (Pullman Standard Division) (hereinafter called the Builders), providing for the sale to the Owner-Trustee of such units of railroad equipment (hereinafter called the Units) described in the Annexes thereto as are delivered to and accepted by the Owner-Trustee thereunder and the Security Document is being assigned to the Agent by the Builders;

WHEREAS the Owner-Trustee and Trailer Train Company (hereinafter called the Lessee) have entered into a Lease of Railroad Equipment No. 1 dated as of the date hereof (hereinafter, together with the amendments and supplements thereto, being called the Lease), providing for the leasing by the Owner-Trustee to the Lessee of certain units of railroad equipment (hereinafter called the Units); and

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

NOW, THEREFORE, in consideration of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

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

The Agent agrees to accept any Payments made by the Lessee for the account of the Owner-Trustee pursuant to the Lease. To the extent received, the Agent will apply such Payments to satisfy the obligations of the Owner-Trustee under the Security Document then due and payable, subject to the limitations contained in the last paragraph of Article 4 of the Security Document, and any balance held by the Agent hereunder for the account of the Owner-Trustee shall be deemed to be held in trust for the Owner-Trustee and shall be paid immediately to and retained by the Owner-Trustee. The foregoing provision shall also be for the benefit of the Builders as third party beneficiaries. If the Agent shall not receive any rental payment under the first paragraph of § 3 of the Lease or any payment of Casualty Values under § 7 of the Lease when due, the Agent shall promptly notify the Owner-Trustee by telegraphic communication at the address set forth in the Lease. Failure to so notify the Owner-Trustee shall not affect the rights and remedies of the Agent hereunder or under the Security Document but the Agent (in its individual capacity) shall be liable to the Owners and the Owner-Trustee for damages, if any, arising from such failure.

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

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

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

(b) Should the Owner-Trustee fail to make any payment or to do any act which this Assignment requires the Owner-Trustee to make or do, then the Agent, but without obligation so to do, after first making written demand upon the Owner-Trustee and affording the Owner-Trustee a reasonable period of time within which to make such payment or do such act, but without releasing the Owner-Trustee from any obligation hereunder, may make or do the same in such manner and to such extent as the Agent may deem necessary to protect the security provided hereby, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof and the rights or powers of the Agent, and also the right to perform and discharge each and every obligation, covenant and agreement of the Owner-Trustee

contained in the Lease; and in exercising any such powers, the Agent may pay necessary costs and expenses, employ counsel and incur and pay reasonable attorneys' fees, and the Owner-Trustee will reimburse the Agent for such costs, expenses and fees; provided, however, that the obligations of the Owner-Trustee to make reimbursements under this Paragraph 3 are subject to the last paragraph of Article 4 of the Security Document.

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

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

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

7. The Agent may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due; provided, however, that if no event of default or Event of Default, or any event which with lapse of time or notice or both would constitute such an event of

default or Event of Default under the Security Document or the Lease, as the case may be, has occurred and is then continuing, the Agent may only make such an Assignment to a domestic bank, trust company or other lending institution with a combined capital and surplus of not less than $50,000,000. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Agent hereunder. The Agent will give written notice to the Owner-Trustee and the Lessee of any such assignment.

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

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

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

11. No recourse shall be had in respect of any obligation due under this Assignment, or referred to herein,

against any incorporator, stockholder, director or officer, as such, past, present or future, of the Owner-Trustee, the Agent, any Investors or either Owner, whether by virtue of any constitutional provision, statute or rule of law or by enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitutional provision, statute or otherwise, of incorporators, stockholders, directors, officers, as such, or beneficiaries being forever released as a condition of and as consideration for the execution of this Assignment.

It is expressly 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 Owner-Trustee are each and every one of them made and intended not as personal representations, undertakings and agreements by the Owner-Trustee, or for the purpose or with the intention of binding the Owner-Trustee personally but are made and intended for the purpose of binding only the Trust Estate and this Assignment is executed and delivered by the Owner-Trustee solely in the exercise of the powers expressly conferred upon the Owner-Trustee 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 Owner-Trustee or either Owner on account of any representation, undertaking or agreement hereunder of the Owner-Trustee, or either Owner, either expressed or implied, except for their respective obligations under the proviso to the last paragraph of Article 12 of the Security Document and subparagraph (b) of the third paragraph of Article 4 of the Security Document; all such personal liability, if any, being expressly waived and released by the Agent and by all persons claiming by, through or under the Agent; provided, however, that the Agent or any person claiming by, through or under the Agent, making claim hereunder, may look to said Trust Estate for satisfaction of the same.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names, by officers thereunto duly authorized, and their

respective corporate seals to be affixed and duly attested, all as of the date first above written.

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

by _____
Authorized Officer

[CORPORATE SEAL]

Attest:

_____
Authorized Officer

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

by _____
Authorized Officer

[SEAL]

Attest:

_____
Authorized Officer

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

On this 12th day of September 1977, before me personally appeared [illegible] to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY STATE BANK, that one of the seals affixed to the foregoing instrument is the corporate seal of said 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.

Susan A. Harward
Notary Public

[NOTARIAL SEAL]

My Commission Expires

My commission expires June 6, 1981

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

On this 12th day of September 1977, 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 seal of said national banking association and that said instrument was signed and sealed on behalf of said national banking association by authority of its By-laws and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national banking association.

Susan A. Harward
Notary Public

[NOTARIAL SEAL]

My Commission Expires

My commission expires June 6, 1981

LESSEE'S CONSENT AND AGREEMENT

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

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

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

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

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

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

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

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

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

Dated as of August 1, 1977

TRAILER TRAIN COMPANY,

by

Vice President-Finance
and Treasurer

[CORPORATE SEAL]

Attest:

Assistant Secretary

Accepted:

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

by

Authorized Officer

[SEAL]

Attest:

Authorized Officer

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

On this 12th day of September 1977, before me personally appeared N. V. Reichert, to me personally known, who, being by me duly sworn, says that he is Vice President-Finance and Treasurer of TRAILER TRAIN COMPANY, 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.

Cyndie A. Wilhelm
Notary Public

[NOTARIAL SEAL]

My Commission Expires

My Commission Expires May 25th, 1981