

CRAVATH, SWAINE & MOORE

ONE CHASE MANHATTAN PLAZA

NEW YORK, N.Y. 10005

212 HANOVER 2-3000

INTERNATIONAL TELEX: 620976

TELETYPE: 710-581-0338

TELEX: 125547

MAURICE T. MOORE  
BRUCE BROMLEY  
ALBERT R. CONNELLY  
FRANK H. DETWEILER  
GEORGE G. TYLER  
WILLIAM B. MARSHALL  
RALPH L. McAFEE  
ROYALL VICTOR  
ALLEN H. MERRILL  
HENRY W. DE KOSMIAN  
ALLEN F. MAULSBY  
STEWART R. BROSS, JR.  
HENRY P. RIORDAN  
JOHN R. HUPPER  
SAMUEL C. BUTLER  
WILLIAM J. SCHRENK, JR.  
BENJAMIN F. CRANE  
FRANCIS F. RANDOLPH, JR.  
JOHN F. HUNT  
GEORGE J. GILLESPIE, III  
RICHARD S. SIMMONS  
WAYNE E. CHAPMAN  
THOMAS D. BARR  
MELVIN L. BEDRICK

GEORGE T. LOWY  
ROBERT ROSENMAN  
JAMES H. DUFFY  
ALAN J. HRUSKA  
JOHN E. YOUNG  
JAMES M. EDWARDS  
DAVID G. ORMSBY  
DAVID L. SCHWARTZ  
RICHARD J. HIEGEL  
FREDERICK A. O. SCHWARZ, JR.  
CHRISTINE BESHAR  
ROBERT S. RIFKIND  
DAVID O. BROWNWOOD  
PAUL M. DODYK  
RICHARD M. ALLEN  
THOMAS R. BROME  
ROBERT D. JOFFE  
ROBERT F. MULLEN  
ALLEN FINKELSON  
RONALD S. ROLFE  
JOSEPH R. SAHID  
PAUL C. SAUNDERS  
MARTIN L. SENZEL

COUNSEL  
ROSWELL L. GILPATRICK  
CARLYLE E. MAW

L. R. BRESLIN, JR.  
GEORGE B. TURNER  
JOHN H. MORSE  
HAROLD R. MEDINA, JR.  
CHARLES R. LINTON

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75008 PARIS, FRANCE  
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TELEX: 210930

33 THROGMORTON STREET  
LONDON, EC2N 2PS ENGLAND  
TELEPHONE: 01-697-1421  
TELEX: 884241

CABLE ADDRESS:  
CRAVATH, N.Y.  
CRAVATH, P.R.  
CRAVATH, LONDON E.C.

8-107A154

APR 17 1978

RECORDATION NO. 9139-C

APR 17 1978 - 1 15 PM '78

INTERSTATE COMMERCE COMMISSION Washington, D. C.

April 14, 1978

Amendment Agreement Dated as of March 15, 1978  
Amending Conditional Sale Agreement  
Filed with the ICC Under Recordation No. 9139-C  
and Lease Filed with the ICC under Recordation No. 9139-B

Dear Sir:

Pursuant to Section 20c of the Interstate Commerce Act and the Commission's rules and regulations thereunder, as amended, I enclose herewith on behalf of The Chesapeake and Ohio Railway Company for filing and recordation four counterparts of an Amendment Agreement dated as of March 15, 1978. The parties to the Amendment Agreement are as follows:

(1) Trustee-Owner-Trustee-Lessor-Vendee:

First Security Bank of Utah, National Association  
79 South Main Street  
Salt Lake City, Utah 84111

(2) Builder:

Portec, Inc. (Paragon Division)  
300 Windsor Drive  
Oak Brook, Illinois 60521

(3) Lessee:

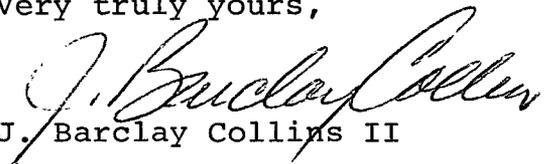
The Chesapeake and Ohio Railway Company  
One Charles Center  
Baltimore, Maryland 21201

RECEIVED  
APR 17 1 13 PM '78  
CERTIFICATION UNIT  
*[Handwritten signature]*

The Amendment Agreement amends a Conditional Sale Agreement dated as of November 1, 1977, between First Security Bank of Utah, National Association, as Owner-Trustee, and Portec, Inc. (Paragon Division), which was recorded pursuant to Section 20c of the Interstate Commerce Act with the Interstate Commerce Commission on December 28, 1977, under Recordation No. 9139-C. The Amendment Agreement also amends a Lease of Equipment dated as of November 1, 1977, between The Chesapeake and Ohio Railway Company and First Security Bank of Utah, as Owner-Trustee, which was recorded with the Interstate Commerce Commission pursuant to Section 20c of the Interstate Commerce Act on December 28, 1977, under Recordation No. 9139-B.

Please record one of the four enclosed copies and stamp the other three copies and copies of this letter enclosed herewith with the recordation data and return such copies to the delivering messenger who will wait. A check in the amount of \$10 is enclosed in payment of the applicable recording fee.

Very truly yours,

  
J. Barclay Collins II

The Acting Secretary,  
Interstate Commerce Commission,  
Washington, D. C. 20423

Encls.

54A

BY HAND

**Interstate Commerce Commission**  
Washington, D.C. 20423

4/17/78

OFFICE OF THE SECRETARY

J. Barclay Collins, ~~II~~  
Cravath, Swaine & Moore  
One Chase Manhattan Plaza  
New York, N.Y. 10005

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 4/17/78 at 1:15pm, and assigned recordation number(s) 9139-D.

Sincerely yours,

  
H.G. Homme, Jr.  
Acting Secretary

Enclosure(s)

SE-30-T  
(6/77)

No #5

RECORDATION NO. 9139 Filed & Recorded D

EXECUTED IN 5 COUNTERPARTS

APR 17 1978 - 1 15 PM

OF WHICH THIS IS NO. 2

**AMERICAN COMMERCE COMMISSION  
AMENDMENT AGREEMENT**

AMENDMENT AGREEMENT dated as of March 15, 1978, among THE CHESAPEAKE AND OHIO RAILWAY COMPANY (the "Lessee"), BWL, INC. (the "Owner Participant"), FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity but solely as Owner-Trustee (the "Owner-Trustee"), MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent (the "Agent"), PORTEC, INC. (Paragon Division) (the "Builder"), and CUNA MUTUAL INSURANCE GROUP, EMPLOYERS MUTUAL LIABILITY INSURANCE COMPANY OF WISCONSIN, GULF LIFE INSURANCE COMPANY, AMERICAN-AMICABLE LIFE INSURANCE COMPANY and THE MERCHANTS BANK (such last five named parties being hereinafter called the "Investors").

WHEREAS the parties hereto other than the Builder are parties to a Participation Agreement dated as of November 1, 1977 (the "Participation Agreement"), providing for the financing of certain railroad equipment to be constructed by the Builder and the leasing of such equipment to the Lessee;

WHEREAS the Builder and the Owner-Trustee are parties to a Conditional Sale Agreement dated as of November 1, 1977, which was filed and recorded with the Interstate Commerce Commission (the "ICC") pursuant to Section 20c of the Interstate Commerce Act on December 28, 1977, at 2:05 p.m., recordation number 9139-C, and which was assigned to the Agent pursuant to an Agreement and Assignment dated as of November 1, 1977 (the "Agreement and Assignment"), between the Builder and the Agent, which Agreement and Assignment was filed and recorded with the ICC pursuant to Section 20c of the Interstate Commerce Act on December 28, 1977, at 2:05 p.m., recordation number 9139-A;

WHEREAS the Lessee and the Owner-Trustee are parties to a Lease of Equipment dated as of November 1, 1977 (the "Lease"), which was filed and recorded with the ICC on December 28, 1977, at 2:05 p.m., recordation number 9139-B, and which was assigned to the Agent pursuant to Assignment of Lease and Agreement dated as of November 1, 1977 (the "Assignment of Lease and Agreement"), which Assignment of Lease and Agreement was recorded with the ICC on December 28, 1977, at 2:05 p.m., recordation number 9139;

WHEREAS the Lessee and the Owner Participant are parties to an Indemnity Agreement dated as of November 1, 1977 (the "Indemnity Agreement"); and

WHEREAS the parties hereto desire to amend the Participation Agreement, the Conditional Sale Agreement, the Lease, the Certificates of Interest held by the Investors and the Indemnity Agreement.

NOW, THEREFORE, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto hereby agree as follows:

1. The parties hereto which are parties to the Participation Agreement hereby amend (a) the third Whereas clause of the Participation Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (b) the first sentence of the first paragraph of Paragraph 9 and the first sentence of the third paragraph of Paragraph 9 of the Participation Agreement by deleting the date "May 31, 1978" from each such sentence and inserting in lieu thereof the date "July 31, 1978" and (c) the first sentence of the fourth paragraph of Paragraph 9 of the Participation Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978".

2. Each party hereto other than the Owner-Trustee and the Builder hereby approves the amendment contained in Section 3 hereof, each party hereto other than the Owner-

Trustee and the Lessee hereby approves the amendment contained in Section 4 hereof and each party hereto other than the Lessee and the Owner Participant hereby approves the amendment contained in Section 5 hereof.

3. The Owner-Trustee and the Builder hereby amend (a) the first sentence of the first paragraph of Article 3 of the Conditional Sale Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (b) the first sentence of the second paragraph of Article 3 of the Conditional Sale Agreement by deleting therefrom the date "May 19, 1978" and inserting in lieu thereof the date "July 20, 1978", (c) subparagraph (a)(i) of the third paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the percentage "31.00%" and inserting in lieu thereof the percentage "31.75%", (d) subparagraph (a)(ii) of the third paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (e) the third sentence of the second paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "May 31, 1978" and inserting in lieu thereof the date "July 31, 1978", (f) the first sentence of the fourth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the dates

"June 1 and December 1", "December 1, 1978" and "December 1, 1987" and inserting in lieu thereof the dates "February 1 and August 1", "February 1, 1979" and "February 1, 1988", (g) the third sentence of the fourth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978", (h) the fifth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978", (i) Schedule I to the Conditional Sale Agreement is hereby deleted and restated in its entirety as set forth in Exhibit A hereto, (j) Item 2 of Annex A to the Conditional Sale Agreement is hereby deleted and restated in its entirety as set forth in Exhibit B hereto, (k) Item 5 of Annex A to the Conditional Sale Agreement by deleting therefrom the amount "\$5,727,000" and inserting in lieu thereof the amount "\$5,664,750" and (l) the column headed "Estimated Time and Place of Delivery" in Annex B to the Conditional Sale Agreement, with respect to the Auto Racks with the Builder's specification CP-77-RP-Ford, by deleting therefrom the date "January-February 1978" and inserting in lieu thereof the date "January-March 1978", with respect to the Auto Racks with the Builder's specification CP-77-BL-C-Ford, by deleting therefrom the date "January-

February 1978" and inserting in lieu thereof the date "January-April 1978", with respect to the Auto Racks with the Builder's specification CP-77-RP-GM, by deleting therefrom the date "February-March 1978" and inserting in lieu thereof the date "March-May 1978" and, with respect to the Auto Racks with the Builder's specifications CP-BL-E-GM, by deleting therefrom the date "March-April 1978" and inserting in lieu thereof the date "April-May 1978".

4. The Owner-Trustee and the Lessee hereby amend (a) § 2 of the Lease by adding immediately following the first paragraph of § 2 an additional paragraph as set forth in Exhibit C hereto, (b) the first paragraph of § 3 of the Lease is hereby deleted and there is substituted therefor a new first paragraph as set forth in Exhibit C hereto, (c) the first paragraph of § 13 of the Lease is hereby deleted and there is substituted therefor a new first paragraph as set forth in Exhibit D hereto and (d) Schedule B to the Lease is hereby deleted and restated in its entirety as set forth in Exhibit E hereto.

5. The Lessee and the Owner-Participant hereby amend (a) page 4 of the Indemnity Agreement by substituting the date "August 1, 1978" for the date "June 1, 1978" in the three places on such page where the latter date appears and (b) page 5 of the Indemnity Agreement by substituting the

not  
can have.

date "August 1, 1978" for the date "June 1, 1978" which now appears on such page.

6. Each of the Certificates of Interest is hereby amended by (a) deleting from clause (i) of the first sentence of the second paragraph the dates "June 1 and December 1", "December 1, 1978" and "December 1, 1987" and inserting in lieu thereof the dates "February 1 and August 1", "February 1, 1979" and "February 1, 1988", (b) deleting from clause (ii) of the first sentence of the second paragraph the dates "June 1 and December 1" and "June 1, 1978" and inserting in lieu thereof the dates "February 1 and August 1" and "August 1, 1978" and (c) by inserting the following sentence at the end of the first paragraph thereof: "The above-described Agreements have been amended by an Amendment Agreement dated as of March 15, 1978, among the parties to said Agreements."

7. This Amendment Agreement, insofar as it relates to the Participation Agreement, shall be governed by the laws of the State of New York, insofar as it relates to the Conditional Sale Agreement, shall be governed by the laws of the State of Utah, insofar as it relates to the Lease, shall be governed by the laws of the State of Ohio and, insofar as it relates to the Indemnity Agreement, shall be governed by the laws of the State of Ohio.

8. The Agreement and Assignment and the Assignment of Lease and Agreement are hereby amended to permit the aforesaid amendments to the Conditional Sale Agreement and the Lease as though originally set forth therein.

9. The Lessee will promptly cause this Amendment Agreement to be filed and recorded in accordance with the provisions of § 15 of the Lease.

10. Except as amended hereby, the Participation Agreement, the Conditional Sale Agreement, the Lease, the Agreement and Assignment, the Assignment of Lease and Agreement, the Certificates of Interest and the Indemnity Agreement shall remain in full force and effect.

11. This Amendment Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party hereto shall execute a counterpart thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment Agreement to be executed by duly

authorized officers or other persons, as of the date first above written.

THE CHESAPEAKE AND OHIO RAILWAY COMPANY,

[Corporate Seal]

by L. C. [Signature]  
Assistant Vice-President and Treasurer

Attest:

Patricia J. [Signature]  
Assistant Secretary

APPROVED AS TO FORM  
C. C. [Signature]  
GENERAL ATTORNEY  
3/31/78

BWL, INC.,

by \_\_\_\_\_  
Vice President

FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity, but solely as Owner-Trustee,

[Seal]

by \_\_\_\_\_  
Authorized Officer

Attest:

\_\_\_\_\_  
Authorized Officer

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

[Corporate Seal]

by \_\_\_\_\_  
Assistant Vice President

Attest:

\_\_\_\_\_  
Corporate Trust Officer

PORTEC, INC. (Paragon  
Division),

by

\_\_\_\_\_  
Vice President

[Corporate Seal]

Attest:

\_\_\_\_\_  
Secretary

CUNA MUTUAL INSURANCE GROUP,

by

\_\_\_\_\_  
Assistant Vice President

EMPLOYERS MUTUAL LIABILITY  
INSURANCE COMPANY OF WISCONSIN,

by

\_\_\_\_\_  
Manager--Bond Investments

GULF LIFE INSURANCE COMPANY,

by

\_\_\_\_\_  
Vice President--Investments

AMERICAN-AMICABLE LIFE INSURANCE  
COMPANY,

by

\_\_\_\_\_  
Assistant Secretary

THE MERCHANTS BANK,

by

\_\_\_\_\_  
Senior Vice President

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

On this            day of March 1978 before me personally appeared            , to me personally known, who, being by me duly sworn, says that he is an authorized officer of FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the seal of said national bank, that said instrument was signed and sealed on behalf of said national 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 national bank.

---

Notary Public

[NOTARIAL SEAL]

My Commission expires

STATE OF MARYLAND,    )  
                                  ) ss.:  
CITY OF BALTIMORE,    )

On this            day of March 1978 before me personally appeared            , to me personally known, being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the 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.

---

Notary Public

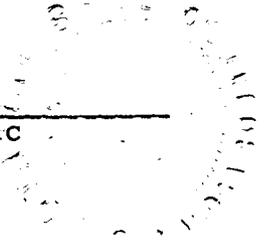
[NOTARIAL SEAL]

My Commission expires

STATE OF OHIO, )  
 ) ss.:  
COUNTY OF CUYAHOGA, )

On this *31st* day of March 1978, before me personally appeared L. C. Roig, Jr., to me personally known, who, being by me duly sworn, says that he is Assistant Vice-President and Treasurer of THE CHESAPEAKE AND OHIO RAILWAY COMPANY, 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 CLARA MASUGA, Notary Public  
State of Ohio - Cuyahoga County  
My Commission Expires April 21, 1979



SCHEDULE I

Allocation Schedule of Each \$1,000,000  
of Conditional Sale Indebtedness  
Payable in Installments  
from February 1, 1979 Through February 1, 1988

<u>Payment No.</u>	<u>Date Due</u>	<u>Principal Balance (Before Payment)</u>	<u>Total Payment</u>	<u>Interest Payment</u>	<u>Principal Recovery</u>	<u>Ending Principal</u>
1	FEB 1, 1979	\$1,000,000.00	\$71,762.63	\$41,000.00	\$30,762.63	\$969,237.37
2	AUG 1, 1979	969,237.37	71,762.63	39,738.73	32,023.90	937,213.47
3	FEB 1, 1980	937,213.47	71,762.63	38,425.75	33,336.88	903,876.59
4	AUG 1, 1980	903,876.59	71,762.63	37,058.94	34,703.69	869,172.90
5	FEB 1, 1981	869,172.90	71,762.63	35,636.09	36,126.54	833,046.36
6	AUG 1, 1981	833,046.36	71,762.63	34,154.90	37,607.73	795,438.63
7	FEB 1, 1982	795,438.63	71,762.63	32,612.98	39,149.65	756,288.98
8	AUG 1, 1982	756,288.98	71,762.63	31,007.85	40,754.78	715,534.20
9	FEB 1, 1983	715,534.20	71,762.63	29,336.90	42,425.73	673,108.47
10	AUG 1, 1983	673,108.47	71,762.63	27,597.45	44,165.18	628,943.29
11	FEB 1, 1984	628,943.29	87,709.89	25,786.68	61,923.21	567,020.08
12	AUG 1, 1984	567,020.08	87,709.89	23,247.82	64,462.07	502,558.01
13	FEB 1, 1985	502,558.01	87,709.89	20,604.88	67,105.01	435,453.00
14	AUG 1, 1985	435,453.00	87,709.89	17,853.57	69,856.32	365,596.68
15	FEB 1, 1986	365,596.68	87,709.89	14,989.46	72,720.43	292,876.25
16	AUG 1, 1986	292,876.25	87,709.89	12,007.93	75,701.96	217,174.29
17	FEB 1, 1987	217,174.29	87,709.89	8,904.15	78,805.74	138,368.55
18	AUG 1, 1987	138,368.55	87,709.89	5,673.11	82,036.78	56,331.77
19	FEB 1, 1988	56,331.77	58,641.37	2,309.60	56,331.77	0.00

EXHIBIT B

Item 2: Unless the Lessee, the Vendee and the Builder otherwise agree, the Equipment shall be settled for in not more than three groups of units of Equipment; the first group shall consist of 82 Auto Racks, tri-level railpac and 25 Auto Racks, bi-level, and shall be settled for on or about March 30, 1978; the second group shall consist of approximately 42 Auto Racks, tri-level railpac and 41 Auto Racks, bi-level, and shall be settled for on or about April 20, 1978; and the third group shall consist of approximately 76 Auto Racks, tri-level railpac and 54 Auto Racks, bi-level, and shall be settled for on or about May 10, 1978. In the event the proposed Purchase Price of any unit of Equipment is in excess of the base price of such unit and such excess is not the result of additional or modified items or features on the Equipment, such excess shall be separately invoiced by the Builder on or before July 14, 1978, for payment on a fourth closing date to be scheduled by the Lessee on or before July 28, 1978; provided, however, that the Lessee shall have access to the Builder's files and records with respect to such unit for purposes of confirming the accuracy of such excess.

EXHIBIT C

All Units which are delivered and accepted hereunder on or prior to June 30, 1978, are hereinafter called Group A Units; and all Units which are delivered and accepted hereunder after June 30, 1978, and on or prior to July 20, 1978, are hereinafter called Group B Units. Promptly after the final settlement for all Units, the Lessee will notify the Owner-Trustee if any Units are Group B Units and, if there are any such Units, the Owner-Trustee and the Lessee will enter into a supplement hereto setting forth the rack numbers of the Units which are designated Group A Units and Group B Units.

§ 3. Rentals. The Lessee agrees to pay to the Lessor, as rental for each Unit subject to this Lease, one interim rental payment on August 1, 1978, and thereafter 20 consecutive semi-annual payments payable in arrears on February 1 and August 1 of each year commencing February 1, 1979. The interim rental payable on August 1, 1978, shall be in an amount equal to .022788% of the Purchase Price (as defined in the Security Documentation) of each such Unit then subject to this Lease from the Closing Date (as defined in the Security Documentation) for that Unit for each actual day elapsed to and including August 1, 1978. The first 10 semi-annual rental payments shall each be in an amount equal to 4.8978% of the Purchase Price of each Group A Unit then subject to this Lease and 5.1462% of the Purchase Price of each such Group B Unit then subject to this Lease; and the last 10 semi-annual rental payments shall each be in an amount equal to 5.9862% of the Purchase Price of each Group A Unit then subject to this Lease and 6.2898% of the Purchase Price of each Group B Unit then subject to this Lease. In addition, as additional rental hereunder, the Lessee agrees to pay to the Lessor on the Cut-Off Date and on August 1, 1978, respectively, amounts equal to the amounts required to be paid by the Lessor pursuant to the last paragraph of Paragraph 9 of the Participation Agreement.

§ 13. Renewal and Right of First Refusal. 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 elect to extend the term of this Lease in respect of all but not fewer than all of the Units then covered by this Lease, for one additional one-year period commencing on the scheduled expiration of the original term of this Lease, provided that such extended term does not extend beyond August 1, 1989, at a rental payable in semi-annual payments on February 1 and August 1 in such extended term. Each semiannual rental payment shall be in an amount equal to 2.7210% of the Purchase Price of each Unit then subject to this Lease.

Schedule B to LeaseTable 1

August 1, 1978	86.4527
February 1, 1979	85.7199
August 1, 1979	84.6265
February 1, 1980	83.3140
August 1, 1980	81.8175
February 1, 1981	80.1245
August 1, 1981	78.2599
February 1, 1982	76.2114
August 1, 1982	74.0004
February 1, 1983	71.6191
August 1, 1983	69.0855
February 1, 1984	65.3082
August 1, 1984	61.3631
February 1, 1985	57.2715
August 1, 1985	53.0394
February 1, 1986	48.6808
August 1, 1986	44.1977
February 1, 1987	39.6100
August 1, 1987	34.9159
February 1, 1988	30.1416
August 1, 1988	25.2305
February 1, 1989	23.3784
August 1, 1989 and thereafter	20.0000

Table 2

The percentages set forth in Table 1 of this Schedule B have been computed without regard to recapture of the Investment Credit (as defined in the Indemnity Agreement referred to in the Participation Agreement). Consequently, the Casualty Value of the Equipment suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the date of delivery and acceptance of the Equipment 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	20.0321
Fifth	13.3547
Seventh	6.6774

AMENDMENT AGREEMENT

AMENDMENT AGREEMENT dated as of March 15, 1978, among THE CHESAPEAKE AND OHIO RAILWAY COMPANY (the "Lessee"), BWL, INC. (the "Owner Participant"), FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity but solely as Owner-Trustee (the "Owner-Trustee"), MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent (the "Agent"), PORTEC, INC. (Paragon Division) (the "Builder"), and CUNA MUTUAL INSURANCE GROUP, EMPLOYERS MUTUAL LIABILITY INSURANCE COMPANY OF WISCONSIN, GULF LIFE INSURANCE COMPANY, AMERICAN-AMICABLE LIFE INSURANCE COMPANY and THE MERCHANTS BANK (such last five named parties being hereinafter called the "Investors").

WHEREAS the parties hereto other than the Builder are parties to a Participation Agreement dated as of November 1, 1977 (the "Participation Agreement"), providing for the financing of certain railroad equipment to be constructed by the Builder and the leasing of such equipment to the Lessee;

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WHEREAS the parties hereto desire to amend the Participation Agreement, the Conditional Sale Agreement, the Lease, the Certificates of Interest held by the Investors and the Indemnity Agreement.

NOW, THEREFORE, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto hereby agree as follows:

1. The parties hereto which are parties to the Participation Agreement hereby amend (a) the third Whereas clause of the Participation Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (b) the first sentence of the first paragraph of Paragraph 9 and the first sentence of the third paragraph of Paragraph 9 of the Participation Agreement by deleting the date "May 31, 1978" from each such sentence and inserting in lieu thereof the date "July 31, 1978" and (c) the first sentence of the fourth paragraph of Paragraph 9 of the Participation Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978".

2. Each party hereto other than the Owner-Trustee and the Builder hereby approves the amendment contained in Section 3 hereof, each party hereto other than the Owner-

Trustee and the Lessee hereby approves the amendment contained in Section 4 hereof and each party hereto other than the Lessee and the Owner Participant hereby approves the amendment contained in Section 5 hereof.

3. The Owner-Trustee and the Builder hereby amend (a) the first sentence of the first paragraph of Article 3 of the Conditional Sale Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (b) the first sentence of the second paragraph of Article 3 of the Conditional Sale Agreement by deleting therefrom the date "May 19, 1978" and inserting in lieu thereof the date "July 20, 1978", (c) subparagraph (a)(i) of the third paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the percentage "31.00%" and inserting in lieu thereof the percentage "31.75%", (d) subparagraph (a)(ii) of the third paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (e) the third sentence of the second paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "May 31, 1978" and inserting in lieu thereof the date "July 31, 1978", (f) the first sentence of the fourth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the dates

"June 1 and December 1", "December 1, 1978" and "December 1, 1987" and inserting in lieu thereof the dates "February 1 and August 1", "February 1, 1979" and "February 1, 1988", (g) the third sentence of the fourth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978", (h) the fifth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978", (i) Schedule I to the Conditional Sale Agreement is hereby deleted and restated in its entirety as set forth in Exhibit A hereto, (j) Item 2 of Annex A to the Conditional Sale Agreement is hereby deleted and restated in its entirety as set forth in Exhibit B hereto, (k) Item 5 of Annex A to the Conditional Sale Agreement by deleting therefrom the amount "\$5,727,000" and inserting in lieu thereof the amount "\$5,664,750" and (l) the column headed "Estimated Time and Place of Delivery" in Annex B to the Conditional Sale Agreement, with respect to the Auto Racks with the Builder's specification CP-77-RP-Ford, by deleting therefrom the date "January-February 1978" and inserting in lieu thereof the date "January-March 1978", with respect to the Auto Racks with the Builder's specification CP-77-BL-C-Ford, by deleting therefrom the date "January-

February 1978" and inserting in lieu thereof the date "January-April 1978", with respect to the Auto Racks with the Builder's specification CP-77-RP-GM, by deleting therefrom the date "February-March 1978" and inserting in lieu thereof the date "March-May 1978" and, with respect to the Auto Racks with the Builder's specifications CP-BL-E-GM, by deleting therefrom the date "March-April 1978" and inserting in lieu thereof the date "April-May 1978".

4. The Owner-Trustee and the Lessee hereby amend (a) § 2 of the Lease by adding immediately following the first paragraph of § 2 an additional paragraph as set forth in Exhibit C hereto, (b) the first paragraph of § 3 of the Lease is hereby deleted and there is substituted therefor a new first paragraph as set forth in Exhibit C hereto, (c) the first paragraph of § 13 of the Lease is hereby deleted and there is substituted therefor a new first paragraph as set forth in Exhibit D hereto and (d) Schedule B to the Lease is hereby deleted and restated in its entirety as set forth in Exhibit E hereto.

5. The Lessee and the Owner-Participant hereby amend (a) page 4 of the Indemnity Agreement by substituting the date "August 1, 1978" for the date "June 1, 1978" in the three places on such page where the latter date appears and (b) page 5 of the Indemnity Agreement by substituting the

date "August 1, 1978" for the date "June 1, 1978" which now appears on such page.

6. Each of the Certificates of Interest is hereby amended by (a) deleting from clause (i) of the first sentence of the second paragraph the dates "June 1 and December 1", "December 1, 1978" and "December 1, 1987" and inserting in lieu thereof the dates "February 1 and August 1", "February 1, 1979" and "February 1, 1988", (b) deleting from clause (ii) of the first sentence of the second paragraph the dates "June 1 and December 1" and "June 1, 1978" and inserting in lieu thereof the dates "February 1 and August 1" and "August 1, 1978" and (c) by inserting the following sentence at the end of the first paragraph thereof: "The above-described Agreements have been amended by an Amendment Agreement dated as of March 15, 1978, among the parties to said Agreements."

7. This Amendment Agreement, insofar as it relates to the Participation Agreement, shall be governed by the laws of the State of New York, insofar as it relates to the Conditional Sale Agreement, shall be governed by the laws of the State of Utah, insofar as it relates to the Lease, shall be governed by the laws of the State of Ohio and, insofar as it relates to the Indemnity Agreement, shall be governed by the laws of the State of Ohio.

8. The Agreement and Assignment and the Assignment of Lease and Agreement are hereby amended to permit the aforesaid amendments to the Conditional Sale Agreement and the Lease as though originally set forth therein.

9. The Lessee will promptly cause this Amendment Agreement to be filed and recorded in accordance with the provisions of § 15 of the Lease.

10. Except as amended hereby, the Participation Agreement, the Conditional Sale Agreement, the Lease, the Agreement and Assignment, the Assignment of Lease and Agreement, the Certificates of Interest and the Indemnity Agreement shall remain in full force and effect.

11. This Amendment Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party hereto shall execute a counterpart thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment Agreement to be executed by duly

authorized officers or other persons, as of the date first above written.

THE CHESAPEAKE AND OHIO RAILWAY COMPANY,

by

[Corporate Seal]

Assistant Vice-President and Treasurer

Attest:

Assistant Secretary

BWL, INC.,

by

B. Davis  
Vice President

FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity, but solely as Owner-Trustee,

by

[Seal]

Authorized Officer

Attest:

Authorized Officer

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by

[Corporate Seal]

Assistant Vice President

Attest:

Corporate Trust Officer

PORTEC, INC. (Paragon  
Division),

by

\_\_\_\_\_  
Vice President

[Corporate Seal]

Attest:

\_\_\_\_\_  
Secretary

CUNA MUTUAL INSURANCE GROUP,

by

\_\_\_\_\_  
Assistant Vice President

EMPLOYERS MUTUAL LIABILITY  
INSURANCE COMPANY OF WISCONSIN,

by

\_\_\_\_\_  
Manager--Bond Investments

GULF LIFE INSURANCE COMPANY,

by

\_\_\_\_\_  
Vice President--Investments

AMERICAN-AMICABLE LIFE INSURANCE  
COMPANY,

by

\_\_\_\_\_  
Assistant Secretary

THE MERCHANTS BANK,

by

\_\_\_\_\_  
Senior Vice President

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

On this \_\_\_\_\_ day of March 1978 before me personally appeared \_\_\_\_\_, to me personally known, who, being by me duly sworn, says that he is an authorized officer of FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the seal of said national bank, that said instrument was signed and sealed on behalf of said national 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 national bank.

---

Notary Public

[NOTARIAL SEAL]

My Commission expires \_\_\_\_\_

STATE OF MARYLAND, )  
 ) ss.:  
CITY OF BALTIMORE, )

On this \_\_\_\_\_ day of March 1978 before me personally appeared \_\_\_\_\_, to me personally known, being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the 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.

---

Notary Public

[NOTARIAL SEAL]

My Commission expires \_\_\_\_\_

STATE OF OHIO,            )  
                                  )    ss.:  
COUNTY OF CUYAHOGA, )

On this            day of March 1978, before me personally appeared L. C. Roig, Jr., to me personally known, who, being by me duly sworn, says that he is Assistant Vice-President and Treasurer of THE CHESAPEAKE AND OHIO RAILWAY COMPANY, 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.

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Notary Public

[Notarial Seal]

My Commission expires

STATE OF ILLINOIS, )  
 ) ss.:  
COUNTY OF DU PAGE, )

On this            day of March 1978, before me personally appeared           , to me personally known, who, being by me duly sworn, says that he is a Vice President of PORTEC, INC. (Paragon Division), 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.

---

Notary Public

[NOTARIAL SEAL]

My Commission expires

SCHEDULE I

Allocation Schedule of Each \$1,000,000  
of Conditional Sale Indebtedness  
Payable in Installments  
from February 1, 1979 Through February 1, 1988

<u>Payment No.</u>	<u>Date Due</u>	<u>Principal Balance (Before Payment)</u>	<u>Total Payment</u>	<u>Interest Payment</u>	<u>Principal Recovery</u>	<u>Ending Principal</u>
1	FEB 1, 1979	\$1,000,000.00	\$71,762.63	\$41,000.00	\$30,762.63	\$969,237.37
2	AUG 1, 1979	969,237.37	71,762.63	39,738.73	32,023.90	937,213.47
3	FEB 1, 1980	937,213.47	71,762.63	38,425.75	33,336.88	903,876.59
4	AUG 1, 1980	903,876.59	71,762.63	37,058.94	34,703.69	869,172.90
5	FEB 1, 1981	869,172.90	71,762.63	35,636.09	36,126.54	833,046.36
6	AUG 1, 1981	833,046.36	71,762.63	34,154.90	37,607.73	795,438.63
7	FEB 1, 1982	795,438.63	71,762.63	32,612.98	39,149.65	756,288.98
8	AUG 1, 1982	756,288.98	71,762.63	31,007.85	40,754.78	715,534.20
9	FEB 1, 1983	715,534.20	71,762.63	29,336.90	42,425.73	673,108.47
10	AUG 1, 1983	673,108.47	71,762.63	27,597.45	44,165.18	628,943.29
11	FEB 1, 1984	628,943.29	87,709.89	25,786.68	61,923.21	567,020.08
12	AUG 1, 1984	567,020.08	87,709.89	23,247.82	64,462.07	502,558.01
13	FEB 1, 1985	502,558.01	87,709.89	20,604.88	67,105.01	435,453.00
14	AUG 1, 1985	435,453.00	87,709.89	17,853.57	69,856.32	365,596.68
15	FEB 1, 1986	365,596.68	87,709.89	14,989.46	72,720.43	292,876.25
16	AUG 1, 1986	292,876.25	87,709.89	12,007.93	75,701.96	217,174.29
17	FEB 1, 1987	217,174.29	87,709.89	8,904.15	78,805.74	138,368.55
18	AUG 1, 1987	138,368.55	87,709.89	5,673.11	82,036.78	56,331.77
19	FEB 1, 1988	56,331.77	58,641.37	2,309.60	56,331.77	0.00

EXHIBIT B

Item 2: Unless the Lessee, the Vendee and the Builder otherwise agree, the Equipment shall be settled for in not more than three groups of units of Equipment; the first group shall consist of 82 Auto Racks, tri-level railpac and 25 Auto Racks, bi-level, and shall be settled for on or about March 30, 1978; the second group shall consist of approximately 42 Auto Racks, tri-level railpac and 41 Auto Racks, bi-level, and shall be settled for on or about April 20, 1978; and the third group shall consist of approximately 76 Auto Racks, tri-level railpac and 54 Auto Racks, bi-level, and shall be settled for on or about May 10, 1978. In the event the proposed Purchase Price of any unit of Equipment is in excess of the base price of such unit and such excess is not the result of additional or modified items or features on the Equipment, such excess shall be separately invoiced by the Builder on or before July 14, 1978, for payment on a fourth closing date to be scheduled by the Lessee on or before July 28, 1978; provided, however, that the Lessee shall have access to the Builder's files and records with respect to such unit for purposes of confirming the accuracy of such excess.

EXHIBIT C

All Units which are delivered and accepted hereunder on or prior to June 30, 1978, are hereinafter called Group A Units; and all Units which are delivered and accepted hereunder after June 30, 1978, and on or prior to July 20, 1978, are hereinafter called Group B Units. Promptly after the final settlement for all Units, the Lessee will notify the Owner-Trustee if any Units are Group B Units and, if there are any such Units, the Owner-Trustee and the Lessee will enter into a supplement hereto setting forth the rack numbers of the Units which are designated Group A Units and Group B Units.

§ 3. Rentals. The Lessee agrees to pay to the Lessor, as rental for each Unit subject to this Lease, one interim rental payment on August 1, 1978, and thereafter 20 consecutive semi-annual payments payable in arrears on February 1 and August 1 of each year commencing February 1, 1979. The interim rental payable on August 1, 1978, shall be in an amount equal to .022788% of the Purchase Price (as defined in the Security Documentation) of each such Unit then subject to this Lease from the Closing Date (as defined in the Security Documentation) for that Unit for each actual day elapsed to and including August 1, 1978. The first 10 semi-annual rental payments shall each be in an amount equal to 4.8978% of the Purchase Price of each Group A Unit then subject to this Lease and 5.1462% of the Purchase Price of each such Group B Unit then subject to this Lease; and the last 10 semi-annual rental payments shall each be in an amount equal to 5.9862% of the Purchase Price of each Group A Unit then subject to this Lease and 6.2898% of the Purchase Price of each Group B Unit then subject to this Lease. In addition, as additional rental hereunder, the Lessee agrees to pay to the Lessor on the Cut-Off Date and on August 1, 1978, respectively, amounts equal to the amounts required to be paid by the Lessor pursuant to the last paragraph of Paragraph 9 of the Participation Agreement.

§ 13. Renewal and Right of First Refusal. 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 elect to extend the term of this Lease in respect of all but not fewer than all of the Units then covered by this Lease, for one additional one-year period commencing on the scheduled expiration of the original term of this Lease, provided that such extended term does not extend beyond August 1, 1989, at a rental payable in semi-annual payments on February 1 and August 1 in such extended term. Each semiannual rental payment shall be in an amount equal to 2.7210% of the Purchase Price of each Unit then subject to this Lease.

Schedule B to LeaseTable 1

August 1, 1978	86.4527
February 1, 1979	85.7199
August 1, 1979	84.6265
February 1, 1980	83.3140
August 1, 1980	81.8175
February 1, 1981	80.1245
August 1, 1981	78.2599
February 1, 1982	76.2114
August 1, 1982	74.0004
February 1, 1983	71.6191
August 1, 1983	69.0855
February 1, 1984	65.3082
August 1, 1984	61.3631
February 1, 1985	57.2715
August 1, 1985	53.0394
February 1, 1986	48.6808
August 1, 1986	44.1977
February 1, 1987	39.6100
August 1, 1987	34.9159
February 1, 1988	30.1416
August 1, 1988	25.2305
February 1, 1989	23.3784
August 1, 1989 and thereafter	20.0000

Table 2

The percentages set forth in Table 1 of this Schedule B have been computed without regard to recapture of the Investment Credit (as defined in the Indemnity Agreement referred to in the Participation Agreement). Consequently, the Casualty Value of the Equipment suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the date of delivery and acceptance of the Equipment 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	20.0321
Fifth	13.3547
Seventh	6.6774

AMENDMENT AGREEMENT

AMENDMENT AGREEMENT dated as of March 15, 1978, among THE CHESAPEAKE AND OHIO RAILWAY COMPANY (the "Lessee"), BWL, INC. (the "Owner Participant"), FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity but solely as Owner-Trustee (the "Owner-Trustee"), MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent (the "Agent"), PORTEC, INC. (Paragon Division) (the "Builder"), and CUNA MUTUAL INSURANCE GROUP, EMPLOYERS MUTUAL LIABILITY INSURANCE COMPANY OF WISCONSIN, GULF LIFE INSURANCE COMPANY, AMERICAN-AMICABLE LIFE INSURANCE COMPANY and THE MERCHANTS BANK (such last five named parties being hereinafter called the "Investors").

WHEREAS the parties hereto other than the Builder are parties to a Participation Agreement dated as of November 1, 1977 (the "Participation Agreement"), providing for the financing of certain railroad equipment to be constructed by the Builder and the leasing of such equipment to the Lessee;

WHEREAS the Builder and the Owner-Trustee are parties to a Conditional Sale Agreement dated as of November 1, 1977, which was filed and recorded with the Interstate Commerce Commission (the "ICC") pursuant to Section 20c of the Interstate Commerce Act on December 28, 1977, at 2:05 p.m., recordation number 9139-C, and which was assigned to the Agent pursuant to an Agreement and Assignment dated as of November 1, 1977 (the "Agreement and Assignment"), between the Builder and the Agent, which Agreement and Assignment was filed and recorded with the ICC pursuant to Section 20c of the Interstate Commerce Act on December 28, 1977, at 2:05 p.m., recordation number 9139-A;

WHEREAS the Lessee and the Owner-Trustee are parties to a Lease of Equipment dated as of November 1, 1977 (the "Lease"), which was filed and recorded with the ICC on December 28, 1977, at 2:05 p.m., recordation number 9139-B, and which was assigned to the Agent pursuant to Assignment of Lease and Agreement dated as of November 1, 1977 (the "Assignment of Lease and Agreement"), which Assignment of Lease and Agreement was recorded with the ICC on December 28, 1977, at 2:05 p.m., recordation number 9139;

WHEREAS the Lessee and the Owner Participant are parties to an Indemnity Agreement dated as of November 1, 1977 (the "Indemnity Agreement"); and

WHEREAS the parties hereto desire to amend the Participation Agreement, the Conditional Sale Agreement, the Lease, the Certificates of Interest held by the Investors and the Indemnity Agreement.

NOW, THEREFORE, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto hereby agree as follows:

1. The parties hereto which are parties to the Participation Agreement hereby amend (a) the third Whereas clause of the Participation Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (b) the first sentence of the first paragraph of Paragraph 9 and the first sentence of the third paragraph of Paragraph 9 of the Participation Agreement by deleting the date "May 31, 1978" from each such sentence and inserting in lieu thereof the date "July 31, 1978" and (c) the first sentence of the fourth paragraph of Paragraph 9 of the Participation Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978".

2. Each party hereto other than the Owner-Trustee and the Builder hereby approves the amendment contained in Section 3 hereof, each party hereto other than the Owner-

Trustee and the Lessee hereby approves the amendment contained in Section 4 hereof and each party hereto other than the Lessee and the Owner Participant hereby approves the amendment contained in Section 5 hereof.

3. The Owner-Trustee and the Builder hereby amend (a) the first sentence of the first paragraph of Article 3 of the Conditional Sale Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (b) the first sentence of the second paragraph of Article 3 of the Conditional Sale Agreement by deleting therefrom the date "May 19, 1978" and inserting in lieu thereof the date "July 20, 1978", (c) subparagraph (a)(i) of the third paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the percentage "31.00%" and inserting in lieu thereof the percentage "31.75%", (d) subparagraph (a)(ii) of the third paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (e) the third sentence of the second paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "May 31, 1978" and inserting in lieu thereof the date "July 31, 1978", (f) the first sentence of the fourth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the dates

"June 1 and December 1", "December 1, 1978" and "December 1, 1987" and inserting in lieu thereof the dates "February 1 and August 1", "February 1, 1979" and "February 1, 1988", (g) the third sentence of the fourth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978", (h) the fifth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978", (i) Schedule I to the Conditional Sale Agreement is hereby deleted and restated in its entirety as set forth in Exhibit A hereto, (j) Item 2 of Annex A to the Conditional Sale Agreement is hereby deleted and restated in its entirety as set forth in Exhibit B hereto, (k) Item 5 of Annex A to the Conditional Sale Agreement by deleting therefrom the amount "\$5,727,000" and inserting in lieu thereof the amount "\$5,664,750" and (l) the column headed "Estimated Time and Place of Delivery" in Annex B to the Conditional Sale Agreement, with respect to the Auto Racks with the Builder's specification CP-77-RP-Ford, by deleting therefrom the date "January-February 1978" and inserting in lieu thereof the date "January-March 1978", with respect to the Auto Racks with the Builder's specification CP-77-BL-C-Ford, by deleting therefrom the date "January-

February 1978" and inserting in lieu thereof the date "January-April 1978", with respect to the Auto Racks with the Builder's specification CP-77-RP-GM, by deleting therefrom the date "February-March 1978" and inserting in lieu thereof the date "March-May 1978" and, with respect to the Auto Racks with the Builder's specifications CP-BL-E-GM, by deleting therefrom the date "March-April 1978" and inserting in lieu thereof the date "April-May 1978".

4. The Owner-Trustee and the Lessee hereby amend (a) § 2 of the Lease by adding immediately following the first paragraph of § 2 an additional paragraph as set forth in Exhibit C hereto, (b) the first paragraph of § 3 of the Lease is hereby deleted and there is substituted therefor a new first paragraph as set forth in Exhibit C hereto, (c) the first paragraph of § 13 of the Lease is hereby deleted and there is substituted therefor a new first paragraph as set forth in Exhibit D hereto and (d) Schedule B to the Lease is hereby deleted and restated in its entirety as set forth in Exhibit E hereto.

5. The Lessee and the Owner-Participant hereby amend (a) page 4 of the Indemnity Agreement by substituting the date "August 1, 1978" for the date "June 1, 1978" in the three places on such page where the latter date appears and (b) page 5 of the Indemnity Agreement by substituting the

date "August 1, 1978" for the date "June 1, 1978" which now appears on such page.

6. Each of the Certificates of Interest is hereby amended by (a) deleting from clause (i) of the first sentence of the second paragraph the dates "June 1 and December 1", "December 1, 1978" and "December 1, 1987" and inserting in lieu thereof the dates "February 1 and August 1", "February 1, 1979" and "February 1, 1988", (b) deleting from clause (ii) of the first sentence of the second paragraph the dates "June 1 and December 1" and "June 1, 1978" and inserting in lieu thereof the dates "February 1 and August 1" and "August 1, 1978" and (c) by inserting the following sentence at the end of the first paragraph thereof: "The above-described Agreements have been amended by an Amendment Agreement dated as of March 15, 1978, among the parties to said Agreements."

7. This Amendment Agreement, insofar as it relates to the Participation Agreement, shall be governed by the laws of the State of New York, insofar as it relates to the Conditional Sale Agreement, shall be governed by the laws of the State of Utah, insofar as it relates to the Lease, shall be governed by the laws of the State of Ohio and, insofar as it relates to the Indemnity Agreement, shall be governed by the laws of the State of Ohio.

8. The Agreement and Assignment and the Assignment of Lease and Agreement are hereby amended to permit the aforesaid amendments to the Conditional Sale Agreement and the Lease as though originally set forth therein.

9. The Lessee will promptly cause this Amendment Agreement to be filed and recorded in accordance with the provisions of § 15 of the Lease.

10. Except as amended hereby, the Participation Agreement, the Conditional Sale Agreement, the Lease, the Agreement and Assignment, the Assignment of Lease and Agreement, the Certificates of Interest and the Indemnity Agreement shall remain in full force and effect.

11. This Amendment Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party hereto shall execute a counterpart thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment Agreement to be executed by duly

authorized officers or other persons, as of the date first above written.

THE CHESAPEAKE AND OHIO RAILWAY COMPANY,

by

[Corporate Seal]

Assistant Vice-President and Treasurer

Attest:

Assistant Secretary

BWL, INC.,

by

Vice President

FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity, but solely as Owner-Trustee,

by

Debra J. Dorfman  
Authorized Officer

DEBRA J. DORFMAN

[Seal]

Attest:

[Signature]  
Authorized Officer

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by

[Corporate Seal]

Assistant Vice President

Attest:

Corporate Trust Officer

PORTEC, INC. (Paragon  
Division),

by

\_\_\_\_\_  
Vice President

[Corporate Seal]

Attest:

\_\_\_\_\_  
Secretary

CUNA MUTUAL INSURANCE GROUP,

by

\_\_\_\_\_  
Assistant Vice President

EMPLOYERS MUTUAL LIABILITY  
INSURANCE COMPANY OF WISCONSIN,

by

\_\_\_\_\_  
Manager--Bond Investments

GULF LIFE INSURANCE COMPANY,

by

\_\_\_\_\_  
Vice President--Investments

AMERICAN-AMICABLE LIFE INSURANCE  
COMPANY,

by

\_\_\_\_\_  
Assistant Secretary

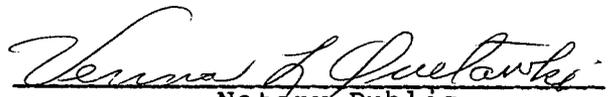
THE MERCHANTS BANK,

by

\_\_\_\_\_  
Senior Vice President

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

On this 29 day of March 1978 before me personally appeared DEBRA J. DORFMAN, to me personally known, being by me duly sworn, says that he is an authorized officer of FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the seal of said national bank, that said instrument was signed and sealed on behalf of said national 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 national bank.

  
Notary Public

My Commission Expires November 15, 1981

[NOTARIAL SEAL]

My Commission expires

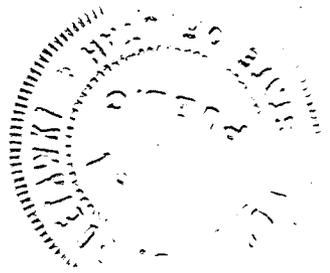
STATE OF MARYLAND, )  
 ) ss.:  
CITY OF BALTIMORE, )

On this day of March 1978 before me personally appeared , to me personally known, being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the 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.

\_\_\_\_\_  
Notary Public

[NOTARIAL SEAL]

My Commission expires



STATE OF OHIO,            )  
                                  )  ss.:  
COUNTY OF CUYAHOGA, )

On this            day of March 1978, before me personally appeared L. C. Roig, Jr., to me personally known, who, being by me duly sworn, says that he is Assistant Vice-President and Treasurer of THE CHESAPEAKE AND OHIO RAILWAY COMPANY, 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.

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Notary Public

[Notarial Seal]

My Commission expires



SCHEDULE I

Allocation Schedule of Each \$1,000,000  
of Conditional Sale Indebtedness  
Payable in Installments  
from February 1, 1979 Through February 1, 1988

<u>Payment</u> <u>No.</u>	<u>Date Due</u>	<u>Principal</u> <u>Balance</u> <u>(Before</u> <u>Payment)</u>	<u>Total</u> <u>Payment</u>	<u>Interest</u> <u>Payment</u>	<u>Principal</u> <u>Recovery</u>	<u>Ending</u> <u>Principal</u>
1	FEB 1, 1979	\$1,000,000.00	\$71,762.63	\$41,000.00	\$30,762.63	\$969,237.37
2	AUG 1, 1979	969,237.37	71,762.63	39,738.73	32,023.90	937,213.47
3	FEB 1, 1980	937,213.47	71,762.63	38,425.75	33,336.88	903,876.59
4	AUG 1, 1980	903,876.59	71,762.63	37,058.94	34,703.69	869,172.90
5	FEB 1, 1981	869,172.90	71,762.63	35,636.09	36,126.54	833,046.36
6	AUG 1, 1981	833,046.36	71,762.63	34,154.90	37,607.73	795,438.63
7	FEB 1, 1982	795,438.63	71,762.63	32,612.98	39,149.65	756,288.98
8	AUG 1, 1982	756,288.98	71,762.63	31,007.85	40,754.78	715,534.20
9	FEB 1, 1983	715,534.20	71,762.63	29,336.90	42,425.73	673,108.47
10	AUG 1, 1983	673,108.47	71,762.63	27,597.45	44,165.18	628,943.29
11	FEB 1, 1984	628,943.29	87,709.89	25,786.68	61,923.21	567,020.08
12	AUG 1, 1984	567,020.08	87,709.89	23,247.82	64,462.07	502,558.01
13	FEB 1, 1985	502,558.01	87,709.89	20,604.88	67,105.01	435,453.00
14	AUG 1, 1985	435,453.00	87,709.89	17,853.57	69,856.32	365,596.68
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17	FEB 1, 1987	217,174.29	87,709.89	8,904.15	78,805.74	138,368.55
18	AUG 1, 1987	138,368.55	87,709.89	5,673.11	82,036.78	56,331.77
19	FEB 1, 1988	56,331.77	58,641.37	2,309.60	56,331.77	0.00

EXHIBIT B

Item 2: Unless the Lessee, the Vendee and the Builder otherwise agree, the Equipment shall be settled for in not more than three groups of units of Equipment; the first group shall consist of 82 Auto Racks, tri-level railpac and 25 Auto Racks, bi-level, and shall be settled for on or about March 30, 1978; the second group shall consist of approximately 42 Auto Racks, tri-level railpac and 41 Auto Racks, bi-level, and shall be settled for on or about April 20, 1978; and the third group shall consist of approximately 76 Auto Racks, tri-level railpac and 54 Auto Racks, bi-level, and shall be settled for on or about May 10, 1978. In the event the proposed Purchase Price of any unit of Equipment is in excess of the base price of such unit and such excess is not the result of additional or modified items or features on the Equipment, such excess shall be separately invoiced by the Builder on or before July 14, 1978, for payment on a fourth closing date to be scheduled by the Lessee on or before July 28, 1978; provided, however, that the Lessee shall have access to the Builder's files and records with respect to such unit for purposes of confirming the accuracy of such excess.

EXHIBIT C

All Units which are delivered and accepted hereunder on or prior to June 30, 1978, are hereinafter called Group A Units; and all Units which are delivered and accepted hereunder after June 30, 1978, and on or prior to July 20, 1978, are hereinafter called Group B Units. Promptly after the final settlement for all Units, the Lessee will notify the Owner-Trustee if any Units are Group B Units and, if there are any such Units, the Owner-Trustee and the Lessee will enter into a supplement hereto setting forth the rack numbers of the Units which are designated Group A Units and Group B Units.

§ 3. Rentals. The Lessee agrees to pay to the Lessor, as rental for each Unit subject to this Lease, one interim rental payment on August 1, 1978, and thereafter 20 consecutive semi-annual payments payable in arrears on February 1 and August 1 of each year commencing February 1, 1979. The interim rental payable on August 1, 1978, shall be in an amount equal to .022788% of the Purchase Price (as defined in the Security Documentation) of each such Unit then subject to this Lease from the Closing Date (as defined in the Security Documentation) for that Unit for each actual day elapsed to and including August 1, 1978. The first 10 semi-annual rental payments shall each be in an amount equal to 4.8978% of the Purchase Price of each Group A Unit then subject to this Lease and 5.1462% of the Purchase Price of each such Group B Unit then subject to this Lease; and the last 10 semi-annual rental payments shall each be in an amount equal to 5.9862% of the Purchase Price of each Group A Unit then subject to this Lease and 6.2898% of the Purchase Price of each Group B Unit then subject to this Lease. In addition, as additional rental hereunder, the Lessee agrees to pay to the Lessor on the Cut-Off Date and on August 1, 1978, respectively, amounts equal to the amounts required to be paid by the Lessor pursuant to the last paragraph of Paragraph 9 of the Participation Agreement.

EXHIBIT D

§ 13. Renewal and Right of First Refusal. 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 elect to extend the term of this Lease in respect of all but not fewer than all of the Units then covered by this Lease, for one additional one-year period commencing on the scheduled expiration of the original term of this Lease, provided that such extended term does not extend beyond August 1, 1989, at a rental payable in semi-annual payments on February 1 and August 1 in such extended term. Each semiannual rental payment shall be in an amount equal to 2.7210% of the Purchase Price of each Unit then subject to this Lease.

Schedule B to LeaseTable 1

August 1, 1978	86.4527
February 1, 1979	85.7199
August 1, 1979	84.6265
February 1, 1980	83.3140
August 1, 1980	81.8175
February 1, 1981	80.1245
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February 1, 1987	39.6100
August 1, 1987	34.9159
February 1, 1988	30.1416
August 1, 1988	25.2305
February 1, 1989	23.3784
August 1, 1989 and thereafter	20.0000

Table 2

The percentages set forth in Table 1 of this Schedule B have been computed without regard to recapture of the Investment Credit (as defined in the Indemnity Agreement referred to in the Participation Agreement). Consequently, the Casualty Value of the Equipment suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the date of delivery and acceptance of the Equipment 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	20.0321
Fifth	13.3547
Seventh	6.6774

AMENDMENT AGREEMENT

AMENDMENT AGREEMENT dated as of March 15, 1978, among THE CHESAPEAKE AND OHIO RAILWAY COMPANY (the "Lessee"), BWL, INC. (the "Owner Participant"), FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity but solely as Owner-Trustee (the "Owner-Trustee"), MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent (the "Agent"), PORTEC, INC. (Paragon Division) (the "Builder"), and CUNA MUTUAL INSURANCE GROUP, EMPLOYERS MUTUAL LIABILITY INSURANCE COMPANY OF WISCONSIN, GULF LIFE INSURANCE COMPANY, AMERICAN-AMICABLE LIFE INSURANCE COMPANY and THE MERCHANTS BANK (such last five named parties being hereinafter called the "Investors").

WHEREAS the parties hereto other than the Builder are parties to a Participation Agreement dated as of November 1, 1977 (the "Participation Agreement"), providing for the financing of certain railroad equipment to be constructed by the Builder and the leasing of such equipment to the Lessee;

WHEREAS the Builder and the Owner-Trustee are parties to a Conditional Sale Agreement dated as of November 1, 1977, which was filed and recorded with the Interstate Commerce Commission (the "ICC") pursuant to Section 20c of the Interstate Commerce Act on December 28, 1977, at 2:05 p.m., recordation number 9139-C, and which was assigned to the Agent pursuant to an Agreement and Assignment dated as of November 1, 1977 (the "Agreement and Assignment"), between the Builder and the Agent, which Agreement and Assignment was filed and recorded with the ICC pursuant to Section 20c of the Interstate Commerce Act on December 28, 1977, at 2:05 p.m., recordation number 9139-A;

WHEREAS the Lessee and the Owner-Trustee are parties to a Lease of Equipment dated as of November 1, 1977 (the "Lease"), which was filed and recorded with the ICC on December 28, 1977, at 2:05 p.m., recordation number 9139-B, and which was assigned to the Agent pursuant to Assignment of Lease and Agreement dated as of November 1, 1977 (the "Assignment of Lease and Agreement"), which Assignment of Lease and Agreement was recorded with the ICC on December 28, 1977, at 2:05 p.m., recordation number 9139;

WHEREAS the Lessee and the Owner Participant are parties to an Indemnity Agreement dated as of November 1, 1977 (the "Indemnity Agreement"); and

WHEREAS the parties hereto desire to amend the Participation Agreement, the Conditional Sale Agreement, the Lease, the Certificates of Interest held by the Investors and the Indemnity Agreement.

NOW, THEREFORE, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto hereby agree as follows:

1. The parties hereto which are parties to the Participation Agreement hereby amend (a) the third Whereas clause of the Participation Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (b) the first sentence of the first paragraph of Paragraph 9 and the first sentence of the third paragraph of Paragraph 9 of the Participation Agreement by deleting the date "May 31, 1978" from each such sentence and inserting in lieu thereof the date "July 31, 1978" and (c) the first sentence of the fourth paragraph of Paragraph 9 of the Participation Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978".

2. Each party hereto other than the Owner-Trustee and the Builder hereby approves the amendment contained in Section 3 hereof, each party hereto other than the Owner-

Trustee and the Lessee hereby approves the amendment contained in Section 4 hereof and each party hereto other than the Lessee and the Owner Participant hereby approves the amendment contained in Section 5 hereof.

3. The Owner-Trustee and the Builder hereby amend (a) the first sentence of the first paragraph of Article 3 of the Conditional Sale Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (b) the first sentence of the second paragraph of Article 3 of the Conditional Sale Agreement by deleting therefrom the date "May 19, 1978" and inserting in lieu thereof the date "July 20, 1978", (c) subparagraph (a)(i) of the third paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the percentage "31.00%" and inserting in lieu thereof the percentage "31.75%", (d) subparagraph (a)(ii) of the third paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (e) the third sentence of the second paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "May 31, 1978" and inserting in lieu thereof the date "July 31, 1978", (f) the first sentence of the fourth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the dates

"June 1 and December 1", "December 1, 1978" and "December 1, 1987" and inserting in lieu thereof the dates "February 1 and August 1", "February 1, 1979" and "February 1, 1988", (g) the third sentence of the fourth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978", (h) the fifth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978", (i) Schedule I to the Conditional Sale Agreement is hereby deleted and restated in its entirety as set forth in Exhibit A hereto, (j) Item 2 of Annex A to the Conditional Sale Agreement is hereby deleted and restated in its entirety as set forth in Exhibit B hereto, (k) Item 5 of Annex A to the Conditional Sale Agreement by deleting therefrom the amount "\$5,727,000" and inserting in lieu thereof the amount "\$5,664,750" and (l) the column headed "Estimated Time and Place of Delivery" in Annex B to the Conditional Sale Agreement, with respect to the Auto Racks with the Builder's specification CP-77-RP-Ford, by deleting therefrom the date "January-February 1978" and inserting in lieu thereof the date "January-March 1978", with respect to the Auto Racks with the Builder's specification CP-77-BL-C-Ford, by deleting therefrom the date "January-

February 1978" and inserting in lieu thereof the date "January-April 1978", with respect to the Auto Racks with the Builder's specification CP-77-RP-GM, by deleting therefrom the date "February-March 1978" and inserting in lieu thereof the date "March-May 1978" and, with respect to the Auto Racks with the Builder's specifications CP-BL-E-GM, by deleting therefrom the date "March-April 1978" and inserting in lieu thereof the date "April-May 1978".

4. The Owner-Trustee and the Lessee hereby amend (a) § 2 of the Lease by adding immediately following the first paragraph of § 2 an additional paragraph as set forth in Exhibit C hereto, (b) the first paragraph of § 3 of the Lease is hereby deleted and there is substituted therefor a new first paragraph as set forth in Exhibit C hereto, (c) the first paragraph of § 13 of the Lease is hereby deleted and there is substituted therefor a new first paragraph as set forth in Exhibit D hereto and (d) Schedule B to the Lease is hereby deleted and restated in its entirety as set forth in Exhibit E hereto.

5. The Lessee and the Owner-Participant hereby amend (a) page 4 of the Indemnity Agreement by substituting the date "August 1, 1978" for the date "June 1, 1978" in the three places on such page where the latter date appears and (b) page 5 of the Indemnity Agreement by substituting the

date "August 1, 1978" for the date "June 1, 1978" which now appears on such page.

6. Each of the Certificates of Interest is hereby amended by (a) deleting from clause (i) of the first sentence of the second paragraph the dates "June 1 and December 1", "December 1, 1978" and "December 1, 1987" and inserting in lieu thereof the dates "February 1 and August 1", "February 1, 1979" and "February 1, 1988", (b) deleting from clause (ii) of the first sentence of the second paragraph the dates "June 1 and December 1" and "June 1, 1978" and inserting in lieu thereof the dates "February 1 and August 1" and "August 1, 1978" and (c) by inserting the following sentence at the end of the first paragraph thereof: "The above-described Agreements have been amended by an Amendment Agreement dated as of March 15, 1978, among the parties to said Agreements."

7. This Amendment Agreement, insofar as it relates to the Participation Agreement, shall be governed by the laws of the State of New York, insofar as it relates to the Conditional Sale Agreement, shall be governed by the laws of the State of Utah, insofar as it relates to the Lease, shall be governed by the laws of the State of Ohio and, insofar as it relates to the Indemnity Agreement, shall be governed by the laws of the State of Ohio.

8. The Agreement and Assignment and the Assignment of Lease and Agreement are hereby amended to permit the aforesaid amendments to the Conditional Sale Agreement and the Lease as though originally set forth therein.

9. The Lessee will promptly cause this Amendment Agreement to be filed and recorded in accordance with the provisions of § 15 of the Lease.

10. Except as amended hereby, the Participation Agreement, the Conditional Sale Agreement, the Lease, the Agreement and Assignment, the Assignment of Lease and Agreement, the Certificates of Interest and the Indemnity Agreement shall remain in full force and effect.

11. This Amendment Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party hereto shall execute a counterpart thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment Agreement to be executed by duly

authorized officers or other persons, as of the date first above written.

THE CHESAPEAKE AND OHIO RAILWAY COMPANY,

by

[Corporate Seal]

Assistant Vice-President and Treasurer

Attest:

Assistant Secretary

BWL, INC.,

by

Vice President

FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity, but solely as Owner-Trustee,

by

[Seal]

Authorized Officer

Attest:

Authorized Officer

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by

Assistant Vice President

[Corporate Seal]

Attest:

Corporate Trust Officer

RUSSELL E. SCHREIBER NOTARY PUBLIC My Commission Expires July 1, 19

PORTEC, INC. (Paragon  
Division),

by

\_\_\_\_\_  
Vice President

[Corporate Seal]

Attest:

\_\_\_\_\_  
Secretary

CUNA MUTUAL INSURANCE GROUP,

by

\_\_\_\_\_  
Assistant Vice President

EMPLOYERS MUTUAL LIABILITY  
INSURANCE COMPANY OF WISCONSIN,

by

\_\_\_\_\_  
Manager--Bond Investments

GULF LIFE INSURANCE COMPANY,

by

\_\_\_\_\_  
Vice President--Investments

AMERICAN-AMICABLE LIFE INSURANCE  
COMPANY,

by

\_\_\_\_\_  
Assistant Secretary

THE MERCHANTS BANK,

by

\_\_\_\_\_  
Senior Vice President

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

On this \_\_\_\_\_ day of March 1978 before me personally appeared \_\_\_\_\_, to me personally known, who, being by me duly sworn, says that he is an authorized officer of FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the seal of said national bank, that said instrument was signed and sealed on behalf of said national 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 national bank.

\_\_\_\_\_  
Notary Public

[NOTARIAL SEAL]

My Commission expires \_\_\_\_\_

STATE OF MARYLAND, )  
 ) ss.:  
CITY OF BALTIMORE, )

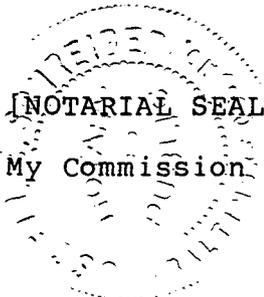
On this 29th day of March 1978 before me personally appeared G. J. Johnston, to me personally known, being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the seal of said corporation, 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.

  
Notary Public

RUSSELL E. SCHREIBER  
NOTARY PUBLIC  
My Commission Expires July 1, 19 \_\_\_\_\_

[NOTARIAL SEAL]

My Commission expires \_\_\_\_\_



STATE OF OHIO,            )  
                              )    ss.:  
COUNTY OF CUYAHOGA, )

On this            day of March 1978, before me personally appeared L. C. Roig, Jr., to me personally known, who, being by me duly sworn, says that he is Assistant Vice-President and Treasurer of THE CHESAPEAKE AND OHIO RAILWAY COMPANY, 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 I

Allocation Schedule of Each \$1,000,000  
of Conditional Sale Indebtedness  
Payable in Installments  
from February 1, 1979 Through February 1, 1988

<u>Payment No.</u>	<u>Date Due</u>	<u>Principal Balance (Before Payment)</u>	<u>Total Payment</u>	<u>Interest Payment</u>	<u>Principal Recovery</u>	<u>Ending Principal</u>
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EXHIBIT B

Item 2: Unless the Lessee, the Vendee and the Builder otherwise agree, the Equipment shall be settled for in not more than three groups of units of Equipment; the first group shall consist of 82 Auto Racks, tri-level railpac and 25 Auto Racks, bi-level, and shall be settled for on or about March 30, 1978; the second group shall consist of approximately 42 Auto Racks, tri-level railpac and 41 Auto Racks, bi-level, and shall be settled for on or about April 20, 1978; and the third group shall consist of approximately 76 Auto Racks, tri-level railpac and 54 Auto Racks, bi-level, and shall be settled for on or about May 10, 1978. In the event the proposed Purchase Price of any unit of Equipment is in excess of the base price of such unit and such excess is not the result of additional or modified items or features on the Equipment, such excess shall be separately invoiced by the Builder on or before July 14, 1978, for payment on a fourth closing date to be scheduled by the Lessee on or before July 28, 1978; provided, however, that the Lessee shall have access to the Builder's files and records with respect to such unit for purposes of confirming the accuracy of such excess.

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§ 3. Rentals. The Lessee agrees to pay to the Lessor, as rental for each Unit subject to this Lease, one interim rental payment on August 1, 1978, and thereafter 20 consecutive semi-annual payments payable in arrears on February 1 and August 1 of each year commencing February 1, 1979. The interim rental payable on August 1, 1978, shall be in an amount equal to .022788% of the Purchase Price (as defined in the Security Documentation) of each such Unit then subject to this Lease from the Closing Date (as defined in the Security Documentation) for that Unit for each actual day elapsed to and including August 1, 1978. The first 10 semi-annual rental payments shall each be in an amount equal to 4.8978% of the Purchase Price of each Group A Unit then subject to this Lease and 5.1462% of the Purchase Price of each such Group B Unit then subject to this Lease; and the last 10 semi-annual rental payments shall each be in an amount equal to 5.9862% of the Purchase Price of each Group A Unit then subject to this Lease and 6.2898% of the Purchase Price of each Group B Unit then subject to this Lease. In addition, as additional rental hereunder, the Lessee agrees to pay to the Lessor on the Cut-Off Date and on August 1, 1978, respectively, amounts equal to the amounts required to be paid by the Lessor pursuant to the last paragraph of Paragraph 9 of the Participation Agreement.

§ 13. Renewal and Right of First Refusal. 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 elect to extend the term of this Lease in respect of all but not fewer than all of the Units then covered by this Lease, for one additional one-year period commencing on the scheduled expiration of the original term of this Lease, provided that such extended term does not extend beyond August 1, 1989, at a rental payable in semi-annual payments on February 1 and August 1 in such extended term. Each semiannual rental payment shall be in an amount equal to 2.7210% of the Purchase Price of each Unit then subject to this Lease.

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August 1, 1978	86.4527
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August 1, 1989 and thereafter	20.0000

Table 2

The percentages set forth in Table 1 of this Schedule B have been computed without regard to recapture of the Investment Credit (as defined in the Indemnity Agreement referred to in the Participation Agreement). Consequently, the Casualty Value of the Equipment suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the date of delivery and acceptance of the Equipment 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	20.0321
Fifth	13.3547
Seventh	6.6774

AMENDMENT AGREEMENT

AMENDMENT AGREEMENT dated as of March 15, 1978, among THE CHESAPEAKE AND OHIO RAILWAY COMPANY (the "Lessee"), BWL, INC. (the "Owner Participant"), FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity but solely as Owner-Trustee (the "Owner-Trustee"), MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent (the "Agent"), PORTEC, INC. (Paragon Division) (the "Builder"), and CUNA MUTUAL INSURANCE GROUP, EMPLOYERS MUTUAL LIABILITY INSURANCE COMPANY OF WISCONSIN, GULF LIFE INSURANCE COMPANY, AMERICAN-AMICABLE LIFE INSURANCE COMPANY and THE MERCHANTS BANK (such last five named parties being hereinafter called the "Investors").

WHEREAS the parties hereto other than the Builder are parties to a Participation Agreement dated as of November 1, 1977 (the "Participation Agreement"), providing for the financing of certain railroad equipment to be constructed by the Builder and the leasing of such equipment to the Lessee;

WHEREAS the parties hereto desire to amend the Participation Agreement, the Conditional Sale Agreement, the Lease, the Certificates of Interest held by the Investors and the Indemnity Agreement.

NOW, THEREFORE, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto hereby agree as follows:

1. The parties hereto which are parties to the Participation Agreement hereby amend (a) the third Whereas clause of the Participation Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (b) the first sentence of the first paragraph of Paragraph 9 and the first sentence of the third paragraph of Paragraph 9 of the Participation Agreement by deleting the date "May 31, 1978" from each such sentence and inserting in lieu thereof the date "July 31, 1978" and (c) the first sentence of the fourth paragraph of Paragraph 9 of the Participation Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978".

2. Each party hereto other than the Owner-Trustee and the Builder hereby approves the amendment contained in Section 3 hereof, each party hereto other than the Owner-

Trustee and the Lessee hereby approves the amendment contained in Section 4 hereof and each party hereto other than the Lessee and the Owner Participant hereby approves the amendment contained in Section 5 hereof.

3. The Owner-Trustee and the Builder hereby amend (a) the first sentence of the first paragraph of Article 3 of the Conditional Sale Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (b) the first sentence of the second paragraph of Article 3 of the Conditional Sale Agreement by deleting therefrom the date "May 19, 1978" and inserting in lieu thereof the date "July 20, 1978", (c) subparagraph (a)(i) of the third paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the percentage "31.00%" and inserting in lieu thereof the percentage "31.75%", (d) subparagraph (a)(ii) of the third paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (e) the third sentence of the second paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "May 31, 1978" and inserting in lieu thereof the date "July 31, 1978", (f) the first sentence of the fourth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the dates

"June 1 and December 1", "December 1, 1978" and "December 1, 1987" and inserting in lieu thereof the dates "February 1 and August 1", "February 1, 1979" and "February 1, 1988", (g) the third sentence of the fourth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978", (h) the fifth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978", (i) Schedule I to the Conditional Sale Agreement is hereby deleted and restated in its entirety as set forth in Exhibit A hereto, (j) Item 2 of Annex A to the Conditional Sale Agreement is hereby deleted and restated in its entirety as set forth in Exhibit B hereto, (k) Item 5 of Annex A to the Conditional Sale Agreement by deleting therefrom the amount "\$5,727,000" and inserting in lieu thereof the amount "\$5,664,750" and (l) the column headed "Estimated Time and Place of Delivery" in Annex B to the Conditional Sale Agreement, with respect to the Auto Racks with the Builder's specification CP-77-RP-Ford, by deleting therefrom the date "January-February 1978" and inserting in lieu thereof the date "January-March 1978", with respect to the Auto Racks with the Builder's specification CP-77-BL-C-Ford, by deleting therefrom the date "January-

February 1978" and inserting in lieu thereof the date "January-April 1978", with respect to the Auto Racks with the Builder's specification CP-77-RP-GM, by deleting therefrom the date "February-March 1978" and inserting in lieu thereof the date "March-May 1978" and, with respect to the Auto Racks with the Builder's specifications CP-BL-E-GM, by deleting therefrom the date "March-April 1978" and inserting in lieu thereof the date "April-May 1978".

4. The Owner-Trustee and the Lessee hereby amend (a) § 2 of the Lease by adding immediately following the first paragraph of § 2 an additional paragraph as set forth in Exhibit C hereto, (b) the first paragraph of § 3 of the Lease is hereby deleted and there is substituted therefor a new first paragraph as set forth in Exhibit C hereto, (c) the first paragraph of § 13 of the Lease is hereby deleted and there is substituted therefor a new first paragraph as set forth in Exhibit D hereto and (d) Schedule B to the Lease is hereby deleted and restated in its entirety as set forth in Exhibit E hereto.

5. The Lessee and the Owner-Participant hereby amend (a) page 4 of the Indemnity Agreement by substituting the date "August 1, 1978" for the date "June 1, 1978" in the three places on such page where the latter date appears and (b) page 5 of the Indemnity Agreement by substituting the

date "August 1, 1978" for the date "June 1, 1978" which now appears on such page.

6. Each of the Certificates of Interest is hereby amended by (a) deleting from clause (i) of the first sentence of the second paragraph the dates "June 1 and December 1", "December 1, 1978" and "December 1, 1987" and inserting in lieu thereof the dates "February 1 and August 1", "February 1, 1979" and "February 1, 1988", (b) deleting from clause (ii) of the first sentence of the second paragraph the dates "June 1 and December 1" and "June 1, 1978" and inserting in lieu thereof the dates "February 1 and August 1" and "August 1, 1978" and (c) by inserting the following sentence at the end of the first paragraph thereof: "The above-described Agreements have been amended by an Amendment Agreement dated as of March 15, 1978, among the parties to said Agreements."

7. This Amendment Agreement, insofar as it relates to the Participation Agreement, shall be governed by the laws of the State of New York, insofar as it relates to the Conditional Sale Agreement, shall be governed by the laws of the State of Utah, insofar as it relates to the Lease, shall be governed by the laws of the State of Ohio and, insofar as it relates to the Indemnity Agreement, shall be governed by the laws of the State of Ohio.

8. The Agreement and Assignment and the Assignment of Lease and Agreement are hereby amended to permit the aforesaid amendments to the Conditional Sale Agreement and the Lease as though originally set forth therein.

9. The Lessee will promptly cause this Amendment Agreement to be filed and recorded in accordance with the provisions of § 15 of the Lease.

10. Except as amended hereby, the Participation Agreement, the Conditional Sale Agreement, the Lease, the Agreement and Assignment, the Assignment of Lease and Agreement, the Certificates of Interest and the Indemnity Agreement shall remain in full force and effect.

11. This Amendment Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party hereto shall execute a counterpart thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment Agreement to be executed by duly

authorized officers or other persons, as of the date first above written.

THE CHESAPEAKE AND OHIO RAILWAY COMPANY,

by

Assistant Vice-President and Treasurer

[Corporate Seal]

Attest:

Assistant Secretary

BWL, INC.,

by

Vice President

FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity, but solely as Owner-Trustee,

by

Authorized Officer

[Seal]

Attest:

Authorized Officer

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by

Assistant Vice President

[Corporate Seal]

Attest:

Corporate Trust Officer

PORTEC, INC. (Paragon  
Division),

by

W F Morris  
Vice President

[Corporate Seal]

Attest:

J. Horton  
Secretary

CUNA MUTUAL INSURANCE GROUP,

by

Assistant Vice President

EMPLOYERS MUTUAL LIABILITY  
INSURANCE COMPANY OF WISCONSIN,

by

Manager--Bond Investments

GULF LIFE INSURANCE COMPANY,

by

Vice President--Investments

AMERICAN-AMICABLE LIFE INSURANCE  
COMPANY,

by

Assistant Secretary

THE MERCHANTS BANK,

by

Senior Vice President

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

On this            day of March 1978 before me personally appeared            , to me personally known, being by me duly sworn, says that he is an authorized officer of FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the seal of said national bank, that said instrument was signed and sealed on behalf of said national 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 national bank.

\_\_\_\_\_  
Notary Public

[NOTARIAL SEAL]  
My Commission expires

STATE OF MARYLAND, )  
 ) ss.:  
CITY OF BALTIMORE, )

On this            day of March 1978 before me personally appeared            , to me personally known, being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the 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.

\_\_\_\_\_  
Notary Public

[NOTARIAL SEAL]  
My Commission expires

STATE OF OHIO,            )  
                              )  ss.:  
COUNTY OF CUYAHOGA, )

On this            day of March 1978, before me personally appeared L. C. Roig, Jr., to me personally known, who, being by me duly sworn, says that he is Assistant Vice-President and Treasurer of THE CHESAPEAKE AND OHIO RAILWAY COMPANY, 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.

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Notary Public

[Notarial Seal]

My Commission expires



SCHEDULE I

Allocation Schedule of Each \$1,000,000  
of Conditional Sale Indebtedness  
Payable in Installments  
from February 1, 1979 Through February 1, 1988

<u>Payment No.</u>	<u>Date Due</u>	<u>Principal Balance (Before Payment)</u>	<u>Total Payment</u>	<u>Interest Payment</u>	<u>Principal Recovery</u>	<u>Ending Principal</u>
1	FEB 1, 1979	\$1,000,000.00	\$71,762.63	\$41,000.00	\$30,762.63	\$969,237.37
2	AUG 1, 1979	969,237.37	71,762.63	39,738.73	32,023.90	937,213.47
3	FEB 1, 1980	937,213.47	71,762.63	38,425.75	33,336.88	903,876.59
4	AUG 1, 1980	903,876.59	71,762.63	37,058.94	34,703.69	869,172.90
5	FEB 1, 1981	869,172.90	71,762.63	35,636.09	36,126.54	833,046.36
6	AUG 1, 1981	833,046.36	71,762.63	34,154.90	37,607.73	795,438.63
7	FEB 1, 1982	795,438.63	71,762.63	32,612.98	39,149.65	756,288.98
8	AUG 1, 1982	756,288.98	71,762.63	31,007.85	40,754.78	715,534.20
9	FEB 1, 1983	715,534.20	71,762.63	29,336.90	42,425.73	673,108.47
10	AUG 1, 1983	673,108.47	71,762.63	27,597.45	44,165.18	628,943.29
11	FEB 1, 1984	628,943.29	87,709.89	25,786.68	61,923.21	567,020.08
12	AUG 1, 1984	567,020.08	87,709.89	23,247.82	64,462.07	502,558.01
13	FEB 1, 1985	502,558.01	87,709.89	20,604.88	67,105.01	435,453.00
14	AUG 1, 1985	435,453.00	87,709.89	17,853.57	69,856.32	365,596.68
15	FEB 1, 1986	365,596.68	87,709.89	14,989.46	72,720.43	292,876.25
16	AUG 1, 1986	292,876.25	87,709.89	12,007.93	75,701.96	217,174.29
17	FEB 1, 1987	217,174.29	87,709.89	8,904.15	78,805.74	138,368.55
18	AUG 1, 1987	138,368.55	87,709.89	5,673.11	82,036.78	56,331.77
19	FEB 1, 1988	56,331.77	58,641.37	2,309.60	56,331.77	0.00

EXHIBIT B

Item 2: Unless the Lessee, the Vendee and the Builder otherwise agree, the Equipment shall be settled for in not more than three groups of units of Equipment; the first group shall consist of 82 Auto Racks, tri-level railpac and 25 Auto Racks, bi-level, and shall be settled for on or about March 30, 1978; the second group shall consist of approximately 42 Auto Racks, tri-level railpac and 41 Auto Racks, bi-level, and shall be settled for on or about April 20, 1978; and the third group shall consist of approximately 76 Auto Racks, tri-level railpac and 54 Auto Racks, bi-level, and shall be settled for on or about May 10, 1978. In the event the proposed Purchase Price of any unit of Equipment is in excess of the base price of such unit and such excess is not the result of additional or modified items or features on the Equipment, such excess shall be separately invoiced by the Builder on or before July 14, 1978, for payment on a fourth closing date to be scheduled by the Lessee on or before July 28, 1978; provided, however, that the Lessee shall have access to the Builder's files and records with respect to such unit for purposes of confirming the accuracy of such excess.

EXHIBIT C

All Units which are delivered and accepted hereunder on or prior to June 30, 1978, are hereinafter called Group A Units; and all Units which are delivered and accepted hereunder after June 30, 1978, and on or prior to July 20, 1978, are hereinafter called Group B Units. Promptly after the final settlement for all Units, the Lessee will notify the Owner-Trustee if any Units are Group B Units and, if there are any such Units, the Owner-Trustee and the Lessee will enter into a supplement hereto setting forth the rack numbers of the Units which are designated Group A Units and Group B Units.

§ 3. Rentals. The Lessee agrees to pay to the Lessor, as rental for each Unit subject to this Lease, one interim rental payment on August 1, 1978, and thereafter 20 consecutive semi-annual payments payable in arrears on February 1 and August 1 of each year commencing February 1, 1979. The interim rental payable on August 1, 1978, shall be in an amount equal to .022788% of the Purchase Price (as defined in the Security Documentation) of each such Unit then subject to this Lease from the Closing Date (as defined in the Security Documentation) for that Unit for each actual day elapsed to and including August 1, 1978. The first 10 semi-annual rental payments shall each be in an amount equal to 4.8978% of the Purchase Price of each Group A Unit then subject to this Lease and 5.1462% of the Purchase Price of each such Group B Unit then subject to this Lease; and the last 10 semi-annual rental payments shall each be in an amount equal to 5.9862% of the Purchase Price of each Group A Unit then subject to this Lease and 6.2898% of the Purchase Price of each Group B Unit then subject to this Lease. In addition, as additional rental hereunder, the Lessee agrees to pay to the Lessor on the Cut-Off Date and on August 1, 1978, respectively, amounts equal to the amounts required to be paid by the Lessor pursuant to the last paragraph of Paragraph 9 of the Participation Agreement.

§ 13. Renewal and Right of First Refusal. 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 elect to extend the term of this Lease in respect of all but not fewer than all of the Units then covered by this Lease, for one additional one-year period commencing on the scheduled expiration of the original term of this Lease, provided that such extended term does not extend beyond August 1, 1989, at a rental payable in semi-annual payments on February 1 and August 1 in such extended term. Each semiannual rental payment shall be in an amount equal to 2.7210% of the Purchase Price of each Unit then subject to this Lease.

Schedule B to LeaseTable 1

August 1, 1978	86.4527
February 1, 1979	85.7199
August 1, 1979	84.6265
February 1, 1980	83.3140
August 1, 1980	81.8175
February 1, 1981	80.1245
August 1, 1981	78.2599
February 1, 1982	76.2114
August 1, 1982	74.0004
February 1, 1983	71.6191
August 1, 1983	69.0855
February 1, 1984	65.3082
August 1, 1984	61.3631
February 1, 1985	57.2715
August 1, 1985	53.0394
February 1, 1986	48.6808
August 1, 1986	44.1977
February 1, 1987	39.6100
August 1, 1987	34.9159
February 1, 1988	30.1416
August 1, 1988	25.2305
February 1, 1989	23.3784
August 1, 1989 and thereafter	20.0000

Table 2

The percentages set forth in Table 1 of this Schedule B have been computed without regard to recapture of the Investment Credit (as defined in the Indemnity Agreement referred to in the Participation Agreement). Consequently, the Casualty Value of the Equipment suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the date of delivery and acceptance of the Equipment 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	20.0321
Fifth	13.3547
Seventh	6.6774

AMENDMENT AGREEMENT

AMENDMENT AGREEMENT dated as of March 15, 1978, among THE CHESAPEAKE AND OHIO RAILWAY COMPANY (the "Lessee"), BWL, INC. (the "Owner Participant"), FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity but solely as Owner-Trustee (the "Owner-Trustee"), MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent (the "Agent"), PORTEC, INC. (Paragon Division) (the "Builder"), and CUNA MUTUAL INSURANCE GROUP, EMPLOYERS MUTUAL LIABILITY INSURANCE COMPANY OF WISCONSIN, GULF LIFE INSURANCE COMPANY, AMERICAN-AMICABLE LIFE INSURANCE COMPANY and THE MERCHANTS BANK (such last five named parties being hereinafter called the "Investors").

WHEREAS the parties hereto other than the Builder are parties to a Participation Agreement dated as of November 1, 1977 (the "Participation Agreement"), providing for the financing of certain railroad equipment to be constructed by the Builder and the leasing of such equipment to the Lessee;

WHEREAS the Builder and the Owner-Trustee are parties to a Conditional Sale Agreement dated as of November 1, 1977, which was filed and recorded with the Interstate Commerce Commission (the "ICC") pursuant to Section 20c of the Interstate Commerce Act on December 28, 1977, at 2:05 p.m., recordation number 9139-C, and which was assigned to the Agent pursuant to an Agreement and Assignment dated as of November 1, 1977 (the "Agreement and Assignment"), between the Builder and the Agent, which Agreement and Assignment was filed and recorded with the ICC pursuant to Section 20c of the Interstate Commerce Act on December 28, 1977, at 2:05 p.m., recordation number 9139-A;

WHEREAS the Lessee and the Owner-Trustee are parties to a Lease of Equipment dated as of November 1, 1977 (the "Lease"), which was filed and recorded with the ICC on December 28, 1977, at 2:05 p.m., recordation number 9139-B, and which was assigned to the Agent pursuant to Assignment of Lease and Agreement dated as of November 1, 1977 (the "Assignment of Lease and Agreement"), which Assignment of Lease and Agreement was recorded with the ICC on December 28, 1977, at 2:05 p.m., recordation number 9139;

WHEREAS the Lessee and the Owner Participant are parties to an Indemnity Agreement dated as of November 1, 1977 (the "Indemnity Agreement"); and

WHEREAS the parties hereto desire to amend the Participation Agreement, the Conditional Sale Agreement, the Lease, the Certificates of Interest held by the Investors and the Indemnity Agreement.

NOW, THEREFORE, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto hereby agree as follows:

1. The parties hereto which are parties to the Participation Agreement hereby amend (a) the third Whereas clause of the Participation Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (b) the first sentence of the first paragraph of Paragraph 9 and the first sentence of the third paragraph of Paragraph 9 of the Participation Agreement by deleting the date "May 31, 1978" from each such sentence and inserting in lieu thereof the date "July 31, 1978" and (c) the first sentence of the fourth paragraph of Paragraph 9 of the Participation Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978".

2. Each party hereto other than the Owner-Trustee and the Builder hereby approves the amendment contained in Section 3 hereof, each party hereto other than the Owner-

Trustee and the Lessee hereby approves the amendment contained in Section 4 hereof and each party hereto other than the Lessee and the Owner Participant hereby approves the amendment contained in Section 5 hereof.

3. The Owner-Trustee and the Builder hereby amend (a) the first sentence of the first paragraph of Article 3 of the Conditional Sale Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (b) the first sentence of the second paragraph of Article 3 of the Conditional Sale Agreement by deleting therefrom the date "May 19, 1978" and inserting in lieu thereof the date "July 20, 1978", (c) subparagraph (a)(i) of the third paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the percentage "31.00%" and inserting in lieu thereof the percentage "31.75%", (d) subparagraph (a)(ii) of the third paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (e) the third sentence of the second paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "May 31, 1978" and inserting in lieu thereof the date "July 31, 1978", (f) the first sentence of the fourth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the dates

"June 1 and December 1", "December 1, 1978" and "December 1, 1987" and inserting in lieu thereof the dates "February 1 and August 1", "February 1, 1979" and "February 1, 1988", (g) the third sentence of the fourth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978", (h) the fifth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978", (i) Schedule I to the Conditional Sale Agreement is hereby deleted and restated in its entirety as set forth in Exhibit A hereto, (j) Item 2 of Annex A to the Conditional Sale Agreement is hereby deleted and restated in its entirety as set forth in Exhibit B hereto, (k) Item 5 of Annex A to the Conditional Sale Agreement by deleting therefrom the amount "\$5,727,000" and inserting in lieu thereof the amount "\$5,664,750" and (l) the column headed "Estimated Time and Place of Delivery" in Annex B to the Conditional Sale Agreement, with respect to the Auto Racks with the Builder's specification CP-77-RP-Ford, by deleting therefrom the date "January-February 1978" and inserting in lieu thereof the date "January-March 1978", with respect to the Auto Racks with the Builder's specification CP-77-BL-C-Ford, by deleting therefrom the date "January-

February 1978" and inserting in lieu thereof the date "January-April 1978", with respect to the Auto Racks with the Builder's specification CP-77-RP-GM, by deleting therefrom the date "February-March 1978" and inserting in lieu thereof the date "March-May 1978" and, with respect to the Auto Racks with the Builder's specifications CP-BL-E-GM, by deleting therefrom the date "March-April 1978" and inserting in lieu thereof the date "April-May 1978".

4. The Owner-Trustee and the Lessee hereby amend (a) § 2 of the Lease by adding immediately following the first paragraph of § 2 an additional paragraph as set forth in Exhibit C hereto, (b) the first paragraph of § 3 of the Lease is hereby deleted and there is substituted therefor a new first paragraph as set forth in Exhibit C hereto, (c) the first paragraph of § 13 of the Lease is hereby deleted and there is substituted therefor a new first paragraph as set forth in Exhibit D hereto and (d) Schedule B to the Lease is hereby deleted and restated in its entirety as set forth in Exhibit E hereto.

5. The Lessee and the Owner-Participant hereby amend (a) page 4 of the Indemnity Agreement by substituting the date "August 1, 1978" for the date "June 1, 1978" in the three places on such page where the latter date appears and (b) page 5 of the Indemnity Agreement by substituting the

date "August 1, 1978" for the date "June 1, 1978" which now appears on such page.

6. Each of the Certificates of Interest is hereby amended by (a) deleting from clause (i) of the first sentence of the second paragraph the dates "June 1 and December 1", "December 1, 1978" and "December 1, 1987" and inserting in lieu thereof the dates "February 1 and August 1", "February 1, 1979" and "February 1, 1988", (b) deleting from clause (ii) of the first sentence of the second paragraph the dates "June 1 and December 1" and "June 1, 1978" and inserting in lieu thereof the dates "February 1 and August 1" and "August 1, 1978" and (c) by inserting the following sentence at the end of the first paragraph thereof: "The above-described Agreements have been amended by an Amendment Agreement dated as of March 15, 1978, among the parties to said Agreements."

7. This Amendment Agreement, insofar as it relates to the Participation Agreement, shall be governed by the laws of the State of New York, insofar as it relates to the Conditional Sale Agreement, shall be governed by the laws of the State of Utah, insofar as it relates to the Lease, shall be governed by the laws of the State of Ohio and, insofar as it relates to the Indemnity Agreement, shall be governed by the laws of the State of Ohio.

8. The Agreement and Assignment and the Assignment of Lease and Agreement are hereby amended to permit the aforesaid amendments to the Conditional Sale Agreement and the Lease as though originally set forth therein.

9. The Lessee will promptly cause this Amendment Agreement to be filed and recorded in accordance with the provisions of § 15 of the Lease.

10. Except as amended hereby, the Participation Agreement, the Conditional Sale Agreement, the Lease, the Agreement and Assignment, the Assignment of Lease and Agreement, the Certificates of Interest and the Indemnity Agreement shall remain in full force and effect.

11. This Amendment Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party hereto shall execute a counterpart thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment Agreement to be executed by duly

authorized officers or other persons, as of the date first above written.

THE CHESAPEAKE AND OHIO RAILWAY COMPANY,

by

[Corporate Seal]

Assistant Vice-President and Treasurer

Attest:

Assistant Secretary

BWL, INC.,

by

Vice President

FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity, but solely as Owner-Trustee,

by

[Seal]

Authorized Officer

Attest:

Authorized Officer

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by

[Corporate Seal]

Assistant Vice President

Attest:

Corporate Trust Officer

PORTEC, INC. (Paragon  
Division),

by

\_\_\_\_\_  
Vice President

[Corporate Seal]

Attest:

\_\_\_\_\_  
Secretary

CUNA MUTUAL INSURANCE GROUP,

by

*[Handwritten Signature]*  
\_\_\_\_\_  
Assistant Vice President

EMPLOYERS MUTUAL LIABILITY  
INSURANCE COMPANY OF WISCONSIN,

by

\_\_\_\_\_  
Manager--Bond Investments

GULF LIFE INSURANCE COMPANY,

by

\_\_\_\_\_  
Vice President--Investments

AMERICAN-AMICABLE LIFE INSURANCE  
COMPANY,

by

\_\_\_\_\_  
Assistant Secretary

THE MERCHANTS BANK,

by

\_\_\_\_\_  
Senior Vice President

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

On this            day of March 1978 before me personally appeared            , to me personally known, who, being by me duly sworn, says that he is an authorized officer of FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the seal of said national bank, that said instrument was signed and sealed on behalf of said national 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 national bank.

---

Notary Public

[NOTARIAL SEAL]

My Commission expires

STATE OF MARYLAND, )  
 ) ss.:  
CITY OF BALTIMORE, )

On this            day of March 1978 before me personally appeared            , to me personally known, being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the 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.

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Notary Public

[NOTARIAL SEAL]

My Commission expires

STATE OF OHIO,            )  
                                  )  ss.:  
COUNTY OF CUYAHOGA, )

On this            day of March 1978, before me personally appeared L. C. Roig, Jr., to me personally known, who, being by me duly sworn, says that he is Assistant Vice-President and Treasurer of THE CHESAPEAKE AND OHIO RAILWAY COMPANY, 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.

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Notary Public

[Notarial Seal]

My Commission expires

STATE OF ILLINOIS, )  
 ) ss.:  
COUNTY OF DU PAGE, )

On this            day of March 1978, before me personally appeared           , to me personally known, who, being by me duly sworn, says that he is a Vice President of PORTEC, INC. (Paragon Division), 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.

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Notary Public

[NOTARIAL SEAL]

My Commission expires

SCHEDULE I

Allocation Schedule of Each \$1,000,000  
of Conditional Sale Indebtedness  
Payable in Installments  
from February 1, 1979 Through February 1, 1988

<u>Payment</u> <u>No.</u>	<u>Date Due</u>	<u>Principal</u> <u>Balance</u> <u>(Before</u> <u>Payment)</u>	<u>Total</u> <u>Payment</u>	<u>Interest</u> <u>Payment</u>	<u>Principal</u> <u>Recovery</u>	<u>Ending</u> <u>Principal</u>
1	FEB 1, 1979	\$1,000,000.00	\$71,762.63	\$41,000.00	\$30,762.63	\$969,237.37
2	AUG 1, 1979	969,237.37	71,762.63	39,738.73	32,023.90	937,213.47
3	FEB 1, 1980	937,213.47	71,762.63	38,425.75	33,336.88	903,876.59
4	AUG 1, 1980	903,876.59	71,762.63	37,058.94	34,703.69	869,172.90
5	FEB 1, 1981	869,172.90	71,762.63	35,636.09	36,126.54	833,046.36
6	AUG 1, 1981	833,046.36	71,762.63	34,154.90	37,607.73	795,438.63
7	FEB 1, 1982	795,438.63	71,762.63	32,612.98	39,149.65	756,288.98
8	AUG 1, 1982	756,288.98	71,762.63	31,007.85	40,754.78	715,534.20
9	FEB 1, 1983	715,534.20	71,762.63	29,336.90	42,425.73	673,108.47
10	AUG 1, 1983	673,108.47	71,762.63	27,597.45	44,165.18	628,943.29
11	FEB 1, 1984	628,943.29	87,709.89	25,786.68	61,923.21	567,020.08
12	AUG 1, 1984	567,020.08	87,709.89	23,247.82	64,462.07	502,558.01
13	FEB 1, 1985	502,558.01	87,709.89	20,604.88	67,105.01	435,453.00
14	AUG 1, 1985	435,453.00	87,709.89	17,853.57	69,856.32	365,596.68
15	FEB 1, 1986	365,596.68	87,709.89	14,989.46	72,720.43	292,876.25
16	AUG 1, 1986	292,876.25	87,709.89	12,007.93	75,701.96	217,174.29
17	FEB 1, 1987	217,174.29	87,709.89	8,904.15	78,805.74	138,368.55
18	AUG 1, 1987	138,368.55	87,709.89	5,673.11	82,036.78	56,331.77
19	FEB 1, 1988	56,331.77	58,641.37	2,309.60	56,331.77	0.00

EXHIBIT B

Item 2: Unless the Lessee, the Vendee and the Builder otherwise agree, the Equipment shall be settled for in not more than three groups of units of Equipment; the first group shall consist of 82 Auto Racks, tri-level railpac and 25 Auto Racks, bi-level, and shall be settled for on or about March 30, 1978; the second group shall consist of approximately 42 Auto Racks, tri-level railpac and 41 Auto Racks, bi-level, and shall be settled for on or about April 20, 1978; and the third group shall consist of approximately 76 Auto Racks, tri-level railpac and 54 Auto Racks, bi-level, and shall be settled for on or about May 10, 1978. In the event the proposed Purchase Price of any unit of Equipment is in excess of the base price of such unit and such excess is not the result of additional or modified items or features on the Equipment, such excess shall be separately invoiced by the Builder on or before July 14, 1978, for payment on a fourth closing date to be scheduled by the Lessee on or before July 28, 1978; provided, however, that the Lessee shall have access to the Builder's files and records with respect to such unit for purposes of confirming the accuracy of such excess.

All Units which are delivered and accepted hereunder on or prior to June 30, 1978, are hereinafter called Group A Units; and all Units which are delivered and accepted hereunder after June 30, 1978, and on or prior to July 20, 1978, are hereinafter called Group B Units. Promptly after the final settlement for all Units, the Lessee will notify the Owner-Trustee if any Units are Group B Units and, if there are any such Units, the Owner-Trustee and the Lessee will enter into a supplement hereto setting forth the rack numbers of the Units which are designated Group A Units and Group B Units.

§ 3. Rentals. The Lessee agrees to pay to the Lessor, as rental for each Unit subject to this Lease, one interim rental payment on August 1, 1978, and thereafter 20 consecutive semi-annual payments payable in arrears on February 1 and August 1 of each year commencing February 1, 1979. The interim rental payable on August 1, 1978, shall be in an amount equal to .022788% of the Purchase Price (as defined in the Security Documentation) of each such Unit then subject to this Lease from the Closing Date (as defined in the Security Documentation) for that Unit for each actual day elapsed to and including August 1, 1978. The first 10 semi-annual rental payments shall each be in an amount equal to 4.8978% of the Purchase Price of each Group A Unit then subject to this Lease and 5.1462% of the Purchase Price of each such Group B Unit then subject to this Lease; and the last 10 semi-annual rental payments shall each be in an amount equal to 5.9862% of the Purchase Price of each Group A Unit then subject to this Lease and 6.2898% of the Purchase Price of each Group B Unit then subject to this Lease. In addition, as additional rental hereunder, the Lessee agrees to pay to the Lessor on the Cut-Off Date and on August 1, 1978, respectively, amounts equal to the amounts required to be paid by the Lessor pursuant to the last paragraph of Paragraph 9 of the Participation Agreement.

EXHIBIT D

§ 13. Renewal and Right of First Refusal. 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 elect to extend the term of this Lease in respect of all but not fewer than all of the Units then covered by this Lease, for one additional one-year period commencing on the scheduled expiration of the original term of this Lease, provided that such extended term does not extend beyond August 1, 1989, at a rental payable in semi-annual payments on February 1 and August 1 in such extended term. Each semiannual rental payment shall be in an amount equal to 2.7210% of the Purchase Price of each Unit then subject to this Lease.

Schedule B to LeaseTable 1

August 1, 1978	86.4527
February 1, 1979	85.7199
August 1, 1979	84.6265
February 1, 1980	83.3140
August 1, 1980	81.8175
February 1, 1981	80.1245
August 1, 1981	78.2599
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August 1, 1984	61.3631
February 1, 1985	57.2715
August 1, 1985	53.0394
February 1, 1986	48.6808
August 1, 1986	44.1977
February 1, 1987	39.6100
August 1, 1987	34.9159
February 1, 1988	30.1416
August 1, 1988	25.2305
February 1, 1989	23.3784
August 1, 1989 and thereafter	20.0000

Table 2

The percentages set forth in Table 1 of this Schedule B have been computed without regard to recapture of the Investment Credit (as defined in the Indemnity Agreement referred to in the Participation Agreement). Consequently, the Casualty Value of the Equipment suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the date of delivery and acceptance of the Equipment 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	20.0321
Fifth	13.3547
Seventh	6.6774

AMENDMENT AGREEMENT

AMENDMENT AGREEMENT dated as of March 15, 1978, among THE CHESAPEAKE AND OHIO RAILWAY COMPANY (the "Lessee"), BWL, INC. (the "Owner Participant"), FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity but solely as Owner-Trustee (the "Owner-Trustee"), MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent (the "Agent"), PORTEC, INC. (Paragon Division) (the "Builder"), and CUNA MUTUAL INSURANCE GROUP, EMPLOYERS MUTUAL LIABILITY INSURANCE COMPANY OF WISCONSIN, GULF LIFE INSURANCE COMPANY, AMERICAN-AMICABLE LIFE INSURANCE COMPANY and THE MERCHANTS BANK (such last five named parties being hereinafter called the "Investors").

WHEREAS the parties hereto other than the Builder are parties to a Participation Agreement dated as of November 1, 1977 (the "Participation Agreement"), providing for the financing of certain railroad equipment to be constructed by the Builder and the leasing of such equipment to the Lessee;

WHEREAS the Builder and the Owner-Trustee are parties to a Conditional Sale Agreement dated as of November 1, 1977, which was filed and recorded with the Interstate Commerce Commission (the "ICC") pursuant to Section 20c of the Interstate Commerce Act on December 28, 1977, at 2:05 p.m., recordation number 9139-C, and which was assigned to the Agent pursuant to an Agreement and Assignment dated as of November 1, 1977 (the "Agreement and Assignment"), between the Builder and the Agent, which Agreement and Assignment was filed and recorded with the ICC pursuant to Section 20c of the Interstate Commerce Act on December 28, 1977, at 2:05 p.m., recordation number 9139-A;

WHEREAS the Lessee and the Owner-Trustee are parties to a Lease of Equipment dated as of November 1, 1977 (the "Lease"), which was filed and recorded with the ICC on December 28, 1977, at 2:05 p.m., recordation number 9139-B, and which was assigned to the Agent pursuant to Assignment of Lease and Agreement dated as of November 1, 1977 (the "Assignment of Lease and Agreement"), which Assignment of Lease and Agreement was recorded with the ICC on December 28, 1977, at 2:05 p.m., recordation number 9139;

WHEREAS the Lessee and the Owner Participant are parties to an Indemnity Agreement dated as of November 1, 1977 (the "Indemnity Agreement"); and

WHEREAS the parties hereto desire to amend the Participation Agreement, the Conditional Sale Agreement, the Lease, the Certificates of Interest held by the Investors and the Indemnity Agreement.

NOW, THEREFORE, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto hereby agree as follows:

1. The parties hereto which are parties to the Participation Agreement hereby amend (a) the third Whereas clause of the Participation Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (b) the first sentence of the first paragraph of Paragraph 9 and the first sentence of the third paragraph of Paragraph 9 of the Participation Agreement by deleting the date "May 31, 1978" from each such sentence and inserting in lieu thereof the date "July 31, 1978" and (c) the first sentence of the fourth paragraph of Paragraph 9 of the Participation Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978".

2. Each party hereto other than the Owner-Trustee and the Builder hereby approves the amendment contained in Section 3 hereof, each party hereto other than the Owner-

Trustee and the Lessee hereby approves the amendment contained in Section 4 hereof and each party hereto other than the Lessee and the Owner Participant hereby approves the amendment contained in Section 5 hereof.

3. The Owner-Trustee and the Builder hereby amend (a) the first sentence of the first paragraph of Article 3 of the Conditional Sale Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (b) the first sentence of the second paragraph of Article 3 of the Conditional Sale Agreement by deleting therefrom the date "May 19, 1978" and inserting in lieu thereof the date "July 20, 1978", (c) subparagraph (a)(i) of the third paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the percentage "31.00%" and inserting in lieu thereof the percentage "31.75%", (d) subparagraph (a)(ii) of the third paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (e) the third sentence of the second paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "May 31, 1978" and inserting in lieu thereof the date "July 31, 1978", (f) the first sentence of the fourth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the dates

"June 1 and December 1", "December 1, 1978" and "December 1, 1987" and inserting in lieu thereof the dates "February 1 and August 1", "February 1, 1979" and "February 1, 1988", (g) the third sentence of the fourth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978", (h) the fifth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978", (i) Schedule I to the Conditional Sale Agreement is hereby deleted and restated in its entirety as set forth in Exhibit A hereto, (j) Item 2 of Annex A to the Conditional Sale Agreement is hereby deleted and restated in its entirety as set forth in Exhibit B hereto, (k) Item 5 of Annex A to the Conditional Sale Agreement by deleting therefrom the amount "\$5,727,000" and inserting in lieu thereof the amount "\$5,664,750" and (l) the column headed "Estimated Time and Place of Delivery" in Annex B to the Conditional Sale Agreement, with respect to the Auto Racks with the Builder's specification CP-77-RP-Ford, by deleting therefrom the date "January-February 1978" and inserting in lieu thereof the date "January-March 1978", with respect to the Auto Racks with the Builder's specification CP-77-BL-C-Ford, by deleting therefrom the date "January-

February 1978" and inserting in lieu thereof the date "January-April 1978", with respect to the Auto Racks with the Builder's specification CP-77-RP-GM, by deleting therefrom the date "February-March 1978" and inserting in lieu thereof the date "March-May 1978" and, with respect to the Auto Racks with the Builder's specifications CP-BL-E-GM, by deleting therefrom the date "March-April 1978" and inserting in lieu thereof the date "April-May 1978".

4. The Owner-Trustee and the Lessee hereby amend (a) § 2 of the Lease by adding immediately following the first paragraph of § 2 an additional paragraph as set forth in Exhibit C hereto, (b) the first paragraph of § 3 of the Lease is hereby deleted and there is substituted therefor a new first paragraph as set forth in Exhibit C hereto, (c) the first paragraph of § 13 of the Lease is hereby deleted and there is substituted therefor a new first paragraph as set forth in Exhibit D hereto and (d) Schedule B to the Lease is hereby deleted and restated in its entirety as set forth in Exhibit E hereto.

5. The Lessee and the Owner-Participant hereby amend (a) page 4 of the Indemnity Agreement by substituting the date "August 1, 1978" for the date "June 1, 1978" in the three places on such page where the latter date appears and (b) page 5 of the Indemnity Agreement by substituting the

date "August 1, 1978" for the date "June 1, 1978" which now appears on such page.

6. Each of the Certificates of Interest is hereby amended by (a) deleting from clause (i) of the first sentence of the second paragraph the dates "June 1 and December 1", "December 1, 1978" and "December 1, 1987" and inserting in lieu thereof the dates "February 1 and August 1", "February 1, 1979" and "February 1, 1988", (b) deleting from clause (ii) of the first sentence of the second paragraph the dates "June 1 and December 1" and "June 1, 1978" and inserting in lieu thereof the dates "February 1 and August 1" and "August 1, 1978" and (c) by inserting the following sentence at the end of the first paragraph thereof: "The above-described Agreements have been amended by an Amendment Agreement dated as of March 15, 1978, among the parties to said Agreements."

7. This Amendment Agreement, insofar as it relates to the Participation Agreement, shall be governed by the laws of the State of New York, insofar as it relates to the Conditional Sale Agreement, shall be governed by the laws of the State of Utah, insofar as it relates to the Lease, shall be governed by the laws of the State of Ohio and, insofar as it relates to the Indemnity Agreement, shall be governed by the laws of the State of Ohio.

8. The Agreement and Assignment and the Assignment of Lease and Agreement are hereby amended to permit the aforesaid amendments to the Conditional Sale Agreement and the Lease as though originally set forth therein.

9. The Lessee will promptly cause this Amendment Agreement to be filed and recorded in accordance with the provisions of § 15 of the Lease.

10. Except as amended hereby, the Participation Agreement, the Conditional Sale Agreement, the Lease, the Agreement and Assignment, the Assignment of Lease and Agreement, the Certificates of Interest and the Indemnity Agreement shall remain in full force and effect.

11. This Amendment Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party hereto shall execute a counterpart thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment Agreement to be executed by duly

authorized officers or other persons, as of the date first above written.

THE CHESAPEAKE AND OHIO RAILWAY COMPANY,

by

[Corporate Seal]

Assistant Vice-President and Treasurer

Attest:

Assistant Secretary

BWL, INC.,

by

Vice President

FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity, but solely as Owner-Trustee,

by

[Seal]

Authorized Officer

Attest:

Authorized Officer

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by

[Corporate Seal]

Assistant Vice President

Attest:

Corporate Trust Officer

PORTEC, INC. (Paragon  
Division),

by

\_\_\_\_\_  
Vice President

[Corporate Seal]

Attest:

\_\_\_\_\_  
Secretary

CUNA MUTUAL INSURANCE GROUP,

by

\_\_\_\_\_  
Assistant Vice President

EMPLOYERS MUTUAL LIABILITY  
INSURANCE COMPANY OF WISCONSIN,

by

William B. Ruppel  
\_\_\_\_\_  
Manager--Bond Investments

GULF LIFE INSURANCE COMPANY,

by

\_\_\_\_\_  
Vice President--Investments

AMERICAN-AMICABLE LIFE INSURANCE  
COMPANY,

by

\_\_\_\_\_  
Assistant Secretary

THE MERCHANTS BANK,

by

\_\_\_\_\_  
Senior Vice President

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

On this            day of March 1978 before me personally appeared           , to me personally known, who, being by me duly sworn, says that he is an authorized officer of FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the seal of said national bank, that said instrument was signed and sealed on behalf of said national 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 national bank.

---

Notary Public

[NOTARIAL SEAL]

My Commission expires

STATE OF MARYLAND, )  
 ) ss.:  
CITY OF BALTIMORE, )

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Notary Public

[NOTARIAL SEAL]

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                                  )  ss.:  
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Notary Public

[Notarial Seal]

My Commission expires



SCHEDULE I

Allocation Schedule of Each \$1,000,000  
of Conditional Sale Indebtedness  
Payable in Installments  
from February 1, 1979 Through February 1, 1988

<u>Payment No.</u>	<u>Date Due</u>	<u>Principal Balance (Before Payment)</u>	<u>Total Payment</u>	<u>Interest Payment</u>	<u>Principal Recovery</u>	<u>Ending Principal</u>
1	FEB 1, 1979	\$1,000,000.00	\$71,762.63	\$41,000.00	\$30,762.63	\$969,237.37
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EXHIBIT C

All Units which are delivered and accepted hereunder on or prior to June 30, 1978, are hereinafter called Group A Units; and all Units which are delivered and accepted hereunder after June 30, 1978, and on or prior to July 20, 1978, are hereinafter called Group B Units. Promptly after the final settlement for all Units, the Lessee will notify the Owner-Trustee if any Units are Group B Units and, if there are any such Units, the Owner-Trustee and the Lessee will enter into a supplement hereto setting forth the rack numbers of the Units which are designated Group A Units and Group B Units.

§ 3. Rentals. The Lessee agrees to pay to the Lessor, as rental for each Unit subject to this Lease, one interim rental payment on August 1, 1978, and thereafter 20 consecutive semi-annual payments payable in arrears on February 1 and August 1 of each year commencing February 1, 1979. The interim rental payable on August 1, 1978, shall be in an amount equal to .022788% of the Purchase Price (as defined in the Security Documentation) of each such Unit then subject to this Lease from the Closing Date (as defined in the Security Documentation) for that Unit for each actual day elapsed to and including August 1, 1978. The first 10 semi-annual rental payments shall each be in an amount equal to 4.8978% of the Purchase Price of each Group A Unit then subject to this Lease and 5.1462% of the Purchase Price of each such Group B Unit then subject to this Lease; and the last 10 semi-annual rental payments shall each be in an amount equal to 5.9862% of the Purchase Price of each Group A Unit then subject to this Lease and 6.2898% of the Purchase Price of each Group B Unit then subject to this Lease. In addition, as additional rental hereunder, the Lessee agrees to pay to the Lessor on the Cut-Off Date and on August 1, 1978, respectively, amounts equal to the amounts required to be paid by the Lessor pursuant to the last paragraph of Paragraph 9 of the Participation Agreement.

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August 1, 1989 and thereafter	20.0000

Table 2

The percentages set forth in Table 1 of this Schedule B have been computed without regard to recapture of the Investment Credit (as defined in the Indemnity Agreement referred to in the Participation Agreement). Consequently, the Casualty Value of the Equipment suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the date of delivery and acceptance of the Equipment 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	20.0321
Fifth	13.3547
Seventh	6.6774

## AMENDMENT AGREEMENT

AMENDMENT AGREEMENT dated as of March 15, 1978, among THE CHESAPEAKE AND OHIO RAILWAY COMPANY (the "Lessee"), BWL, INC. (the "Owner Participant"), FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity but solely as Owner-Trustee (the "Owner-Trustee"), MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent (the "Agent"), PORTEC, INC. (Paragon Division) (the "Builder"), and CUNA MUTUAL INSURANCE GROUP, EMPLOYERS MUTUAL LIABILITY INSURANCE COMPANY OF WISCONSIN, GULF LIFE INSURANCE COMPANY, AMERICAN-AMICABLE LIFE INSURANCE COMPANY and THE MERCHANTS BANK (such last five named parties being hereinafter called the "Investors").

WHEREAS the parties hereto other than the Builder are parties to a Participation Agreement dated as of November 1, 1977 (the "Participation Agreement"), providing for the financing of certain railroad equipment to be constructed by the Builder and the leasing of such equipment to the Lessee;

WHEREAS the Builder and the Owner-Trustee are parties to a Conditional Sale Agreement dated as of November 1, 1977, which was filed and recorded with the Interstate Commerce Commission (the "ICC") pursuant to Section 20c of the Interstate Commerce Act on December 28, 1977, at 2:05 p.m., recordation number 9139-C, and which was assigned to the Agent pursuant to an Agreement and Assignment dated as of November 1, 1977 (the "Agreement and Assignment"), between the Builder and the Agent, which Agreement and Assignment was filed and recorded with the ICC pursuant to Section 20c of the Interstate Commerce Act on December 28, 1977, at 2:05 p.m., recordation number 9139-A;

WHEREAS the Lessee and the Owner-Trustee are parties to a Lease of Equipment dated as of November 1, 1977 (the "Lease"), which was filed and recorded with the ICC on December 28, 1977, at 2:05 p.m., recordation number 9139-B, and which was assigned to the Agent pursuant to Assignment of Lease and Agreement dated as of November 1, 1977 (the "Assignment of Lease and Agreement"), which Assignment of Lease and Agreement was recorded with the ICC on December 28, 1977, at 2:05 p.m., recordation number 9139;

WHEREAS the Lessee and the Owner Participant are parties to an Indemnity Agreement dated as of November 1, 1977 (the "Indemnity Agreement"); and

WHEREAS the parties hereto desire to amend the Participation Agreement, the Conditional Sale Agreement, the Lease, the Certificates of Interest held by the Investors and the Indemnity Agreement.

NOW, THEREFORE, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto hereby agree as follows:

1. The parties hereto which are parties to the Participation Agreement hereby amend (a) the third Whereas clause of the Participation Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (b) the first sentence of the first paragraph of Paragraph 9 and the first sentence of the third paragraph of Paragraph 9 of the Participation Agreement by deleting the date "May 31, 1978" from each such sentence and inserting in lieu thereof the date "July 31, 1978" and (c) the first sentence of the fourth paragraph of Paragraph 9 of the Participation Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978".

2. Each party hereto other than the Owner-Trustee and the Builder hereby approves the amendment contained in Section 3 hereof, each party hereto other than the Owner-

Trustee and the Lessee hereby approves the amendment contained in Section 4 hereof and each party hereto other than the Lessee and the Owner Participant hereby approves the amendment contained in Section 5 hereof.

3. The Owner-Trustee and the Builder hereby amend (a) the first sentence of the first paragraph of Article 3 of the Conditional Sale Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (b) the first sentence of the second paragraph of Article 3 of the Conditional Sale Agreement by deleting therefrom the date "May 19, 1978" and inserting in lieu thereof the date "July 20, 1978", (c) subparagraph (a)(i) of the third paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the percentage "31.00%" and inserting in lieu thereof the percentage "31.75%", (d) subparagraph (a)(ii) of the third paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (e) the third sentence of the second paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "May 31, 1978" and inserting in lieu thereof the date "July 31, 1978", (f) the first sentence of the fourth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the dates

"June 1 and December 1", "December 1, 1978" and "December 1, 1987" and inserting in lieu thereof the dates "February 1 and August 1", "February 1, 1979" and "February 1, 1988", (g) the third sentence of the fourth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978", (h) the fifth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978", (i) Schedule I to the Conditional Sale Agreement is hereby deleted and restated in its entirety as set forth in Exhibit A hereto, (j) Item 2 of Annex A to the Conditional Sale Agreement is hereby deleted and restated in its entirety as set forth in Exhibit B hereto, (k) Item 5 of Annex A to the Conditional Sale Agreement by deleting therefrom the amount "\$5,727,000" and inserting in lieu thereof the amount "\$5,664,750" and (l) the column headed "Estimated Time and Place of Delivery" in Annex B to the Conditional Sale Agreement, with respect to the Auto Racks with the Builder's specification CP-77-RP-Ford, by deleting therefrom the date "January-February 1978" and inserting in lieu thereof the date "January-March 1978", with respect to the Auto Racks with the Builder's specification CP-77-BL-C-Ford, by deleting therefrom the date "January-

February 1978" and inserting in lieu thereof the date "January-April 1978", with respect to the Auto Racks with the Builder's specification CP-77-RP-GM, by deleting therefrom the date "February-March 1978" and inserting in lieu thereof the date "March-May 1978" and, with respect to the Auto Racks with the Builder's specifications CP-BL-E-GM, by deleting therefrom the date "March-April 1978" and inserting in lieu thereof the date "April-May 1978".

4. The Owner-Trustee and the Lessee hereby amend (a) § 2 of the Lease by adding immediately following the first paragraph of § 2 an additional paragraph as set forth in Exhibit C hereto, (b) the first paragraph of § 3 of the Lease is hereby deleted and there is substituted therefor a new first paragraph as set forth in Exhibit C hereto, (c) the first paragraph of § 13 of the Lease is hereby deleted and there is substituted therefor a new first paragraph as set forth in Exhibit D hereto and (d) Schedule B to the Lease is hereby deleted and restated in its entirety as set forth in Exhibit E hereto.

5. The Lessee and the Owner-Participant hereby amend (a) page 4 of the Indemnity Agreement by substituting the date "August 1, 1978" for the date "June 1, 1978" in the three places on such page where the latter date appears and (b) page 5 of the Indemnity Agreement by substituting the

date "August 1, 1978" for the date "June 1, 1978" which now appears on such page.

6. Each of the Certificates of Interest is hereby amended by (a) deleting from clause (i) of the first sentence of the second paragraph the dates "June 1 and December 1", "December 1, 1978" and "December 1, 1987" and inserting in lieu thereof the dates "February 1 and August 1", "February 1, 1979" and "February 1, 1988", (b) deleting from clause (ii) of the first sentence of the second paragraph the dates "June 1 and December 1" and "June 1, 1978" and inserting in lieu thereof the dates "February 1 and August 1" and "August 1, 1978" and (c) by inserting the following sentence at the end of the first paragraph thereof: "The above-described Agreements have been amended by an Amendment Agreement dated as of March 15, 1978, among the parties to said Agreements."

7. This Amendment Agreement, insofar as it relates to the Participation Agreement, shall be governed by the laws of the State of New York, insofar as it relates to the Conditional Sale Agreement, shall be governed by the laws of the State of Utah, insofar as it relates to the Lease, shall be governed by the laws of the State of Ohio and, insofar as it relates to the Indemnity Agreement, shall be governed by the laws of the State of Ohio.

8. The Agreement and Assignment and the Assignment of Lease and Agreement are hereby amended to permit the aforesaid amendments to the Conditional Sale Agreement and the Lease as though originally set forth therein.

9. The Lessee will promptly cause this Amendment Agreement to be filed and recorded in accordance with the provisions of § 15 of the Lease.

10. Except as amended hereby, the Participation Agreement, the Conditional Sale Agreement, the Lease, the Agreement and Assignment, the Assignment of Lease and Agreement, the Certificates of Interest and the Indemnity Agreement shall remain in full force and effect.

11. This Amendment Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party hereto shall execute a counterpart thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment Agreement to be executed by duly

authorized officers or other persons, as of the date first above written.

THE CHESAPEAKE AND OHIO RAILWAY COMPANY,

by

[Corporate Seal]

Assistant Vice-President and Treasurer

Attest:

Assistant Secretary

BWL, INC.,

by

Vice President

FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity, but solely as Owner-Trustee,

by

[Seal]

Authorized Officer

Attest:

Authorized Officer

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by

[Corporate Seal]

Assistant Vice President

Attest:

Corporate Trust Officer

PORTEC, INC. (Paragon  
Division),

by

\_\_\_\_\_  
Vice President

[Corporate Seal]

Attest:

\_\_\_\_\_  
Secretary

CUNA MUTUAL INSURANCE GROUP,

by

\_\_\_\_\_  
Assistant Vice President

EMPLOYERS MUTUAL LIABILITY  
INSURANCE COMPANY OF WISCONSIN,

by

\_\_\_\_\_  
Manager--Bond Investments

GULF LIFE INSURANCE COMPANY,

by

\_\_\_\_\_  
Vice President--Investments

TMH

AMERICAN-AMICABLE LIFE INSURANCE  
COMPANY,

by

\_\_\_\_\_  
Assistant Secretary

TMH

THE MERCHANTS BANK,

by

\_\_\_\_\_  
Senior Vice President

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

On this            day of March 1978 before me personally appeared            , to me personally known, who, being by me duly sworn, says that he is an authorized officer of FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the seal of said national bank, that said instrument was signed and sealed on behalf of said national 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 national bank.

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Notary Public

[NOTARIAL SEAL]

My Commission expires

STATE OF MARYLAND,    )  
                                  ) ss.:  
CITY OF BALTIMORE,    )

On this            day of March 1978 before me personally appeared            , to me personally known, being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the 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.

---

Notary Public

[NOTARIAL SEAL]

My Commission expires

STATE OF OHIO,            )  
                                  )    ss.:  
COUNTY OF CUYAHOGA,    )

On this            day of March 1978, before me personally appeared L. C. Roig, Jr., to me personally known, who, being by me duly sworn, says that he is Assistant Vice-President and Treasurer of THE CHESAPEAKE AND OHIO RAILWAY COMPANY, 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.

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Notary Public

[Notarial Seal]

My Commission expires

STATE OF ILLINOIS, )  
 ) ss.:  
COUNTY OF DU PAGE, )

On this            day of March 1978, before me personally appeared           , to me personally known, who, being by me duly sworn, says that he is a Vice President of PORTEC, INC. (Paragon Division), 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.

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Notary Public

[NOTARIAL SEAL]

My Commission expires

SCHEDULE I

Allocation Schedule of Each \$1,000,000  
of Conditional Sale Indebtedness  
Payable in Installments  
from February 1, 1979 Through February 1, 1988

<u>Payment No.</u>	<u>Date Due</u>	<u>Principal Balance (Before Payment)</u>	<u>Total Payment</u>	<u>Interest Payment</u>	<u>Principal Recovery</u>	<u>Ending Principal</u>
1	FEB 1, 1979	\$1,000,000.00	\$71,762.63	\$41,000.00	\$30,762.63	\$969,237.37
2	AUG 1, 1979	969,237.37	71,762.63	39,738.73	32,023.90	937,213.47
3	FEB 1, 1980	937,213.47	71,762.63	38,425.75	33,336.88	903,876.59
4	AUG 1, 1980	903,876.59	71,762.63	37,058.94	34,703.69	869,172.90
5	FEB 1, 1981	869,172.90	71,762.63	35,636.09	36,126.54	833,046.36
6	AUG 1, 1981	833,046.36	71,762.63	34,154.90	37,607.73	795,438.63
7	FEB 1, 1982	795,438.63	71,762.63	32,612.98	39,149.65	756,288.98
8	AUG 1, 1982	756,288.98	71,762.63	31,007.85	40,754.78	715,534.20
9	FEB 1, 1983	715,534.20	71,762.63	29,336.90	42,425.73	673,108.47
10	AUG 1, 1983	673,108.47	71,762.63	27,597.45	44,165.18	628,943.29
11	FEB 1, 1984	628,943.29	87,709.89	25,786.68	61,923.21	567,020.08
12	AUG 1, 1984	567,020.08	87,709.89	23,247.82	64,462.07	502,558.01
13	FEB 1, 1985	502,558.01	87,709.89	20,604.88	67,105.01	435,453.00
14	AUG 1, 1985	435,453.00	87,709.89	17,853.57	69,856.32	365,596.68
15	FEB 1, 1986	365,596.68	87,709.89	14,989.46	72,720.43	292,876.25
16	AUG 1, 1986	292,876.25	87,709.89	12,007.93	75,701.96	217,174.29
17	FEB 1, 1987	217,174.29	87,709.89	8,904.15	78,805.74	138,368.55
18	AUG 1, 1987	138,368.55	87,709.89	5,673.11	82,036.78	56,331.77
19	FEB 1, 1988	56,331.77	58,641.37	2,309.60	56,331.77	0.00

EXHIBIT B

Item 2: Unless the Lessee, the Vendee and the Builder otherwise agree, the Equipment shall be settled for in not more than three groups of units of Equipment; the first group shall consist of 82 Auto Racks, tri-level railpac and 25 Auto Racks, bi-level, and shall be settled for on or about March 30, 1978; the second group shall consist of approximately 42 Auto Racks, tri-level railpac and 41 Auto Racks, bi-level, and shall be settled for on or about April 20, 1978; and the third group shall consist of approximately 76 Auto Racks, tri-level railpac and 54 Auto Racks, bi-level, and shall be settled for on or about May 10, 1978. In the event the proposed Purchase Price of any unit of Equipment is in excess of the base price of such unit and such excess is not the result of additional or modified items or features on the Equipment, such excess shall be separately invoiced by the Builder on or before July 14, 1978, for payment on a fourth closing date to be scheduled by the Lessee on or before July 28, 1978; provided, however, that the Lessee shall have access to the Builder's files and records with respect to such unit for purposes of confirming the accuracy of such excess.

EXHIBIT C

All Units which are delivered and accepted hereunder on or prior to June 30, 1978, are hereinafter called Group A Units; and all Units which are delivered and accepted hereunder after June 30, 1978, and on or prior to July 20, 1978, are hereinafter called Group B Units. Promptly after the final settlement for all Units, the Lessee will notify the Owner-Trustee if any Units are Group B Units and, if there are any such Units, the Owner-Trustee and the Lessee will enter into a supplement hereto setting forth the rack numbers of the Units which are designated Group A Units and Group B Units.

§ 3. Rentals. The Lessee agrees to pay to the Lessor, as rental for each Unit subject to this Lease, one interim rental payment on August 1, 1978, and thereafter 20 consecutive semi-annual payments payable in arrears on February 1 and August 1 of each year commencing February 1, 1979. The interim rental payable on August 1, 1978, shall be in an amount equal to .022788% of the Purchase Price (as defined in the Security Documentation) of each such Unit then subject to this Lease from the Closing Date (as defined in the Security Documentation) for that Unit for each actual day elapsed to and including August 1, 1978. The first 10 semi-annual rental payments shall each be in an amount equal to 4.8978% of the Purchase Price of each Group A Unit then subject to this Lease and 5.1462% of the Purchase Price of each such Group B Unit then subject to this Lease; and the last 10 semi-annual rental payments shall each be in an amount equal to 5.9862% of the Purchase Price of each Group A Unit then subject to this Lease and 6.2898% of the Purchase Price of each Group B Unit then subject to this Lease. In addition, as additional rental hereunder, the Lessee agrees to pay to the Lessor on the Cut-Off Date and on August 1, 1978, respectively, amounts equal to the amounts required to be paid by the Lessor pursuant to the last paragraph of Paragraph 9 of the Participation Agreement.

EXHIBIT D

§ 13. Renewal and Right of First Refusal. 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 elect to extend the term of this Lease in respect of all but not fewer than all of the Units then covered by this Lease, for one additional one-year period commencing on the scheduled expiration of the original term of this Lease, provided that such extended term does not extend beyond August 1, 1989, at a rental payable in semi-annual payments on February 1 and August 1 in such extended term. Each semiannual rental payment shall be in an amount equal to 2.7210% of the Purchase Price of each Unit then subject to this Lease.

Schedule B to LeaseTable 1

August 1, 1978	86.4527
February 1, 1979	85.7199
August 1, 1979	84.6265
February 1, 1980	83.3140
August 1, 1980	81.8175
February 1, 1981	80.1245
August 1, 1981	78.2599
February 1, 1982	76.2114
August 1, 1982	74.0004
February 1, 1983	71.6191
August 1, 1983	69.0855
February 1, 1984	65.3082
August 1, 1984	61.3631
February 1, 1985	57.2715
August 1, 1985	53.0394
February 1, 1986	48.6808
August 1, 1986	44.1977
February 1, 1987	39.6100
August 1, 1987	34.9159
February 1, 1988	30.1416
August 1, 1988	25.2305
February 1, 1989	23.3784
August 1, 1989 and thereafter	20.0000

Table 2

The percentages set forth in Table 1 of this Schedule B have been computed without regard to recapture of the Investment Credit (as defined in the Indemnity Agreement referred to in the Participation Agreement). Consequently, the Casualty Value of the Equipment suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the date of delivery and acceptance of the Equipment 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	20.0321
Fifth	13.3547
Seventh	6.6774

AMENDMENT AGREEMENT

AMENDMENT AGREEMENT dated as of March 15, 1978, among THE CHESAPEAKE AND OHIO RAILWAY COMPANY (the "Lessee"), BWL, INC. (the "Owner Participant"), FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity but solely as Owner-Trustee (the "Owner-Trustee"), MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent (the "Agent"), PORTEC, INC. (Paragon Division) (the "Builder"), and CUNA MUTUAL INSURANCE GROUP, EMPLOYERS MUTUAL LIABILITY INSURANCE COMPANY OF WISCONSIN, GULF LIFE INSURANCE COMPANY, AMERICAN-AMICABLE LIFE INSURANCE COMPANY and THE MERCHANTS BANK (such last five named parties being hereinafter called the "Investors").

WHEREAS the parties hereto other than the Builder are parties to a Participation Agreement dated as of November 1, 1977 (the "Participation Agreement"), providing for the financing of certain railroad equipment to be constructed by the Builder and the leasing of such equipment to the Lessee;

WHEREAS the Builder and the Owner-Trustee are parties to a Conditional Sale Agreement dated as of November 1, 1977, which was filed and recorded with the Interstate Commerce Commission (the "ICC") pursuant to Section 20c of the Interstate Commerce Act on December 28, 1977, at 2:05 p.m., recordation number 9139-C, and which was assigned to the Agent pursuant to an Agreement and Assignment dated as of November 1, 1977 (the "Agreement and Assignment"), between the Builder and the Agent, which Agreement and Assignment was filed and recorded with the ICC pursuant to Section 20c of the Interstate Commerce Act on December 28, 1977, at 2:05 p.m., recordation number 9139-A;

WHEREAS the Lessee and the Owner-Trustee are parties to a Lease of Equipment dated as of November 1, 1977 (the "Lease"), which was filed and recorded with the ICC on December 28, 1977, at 2:05 p.m., recordation number 9139-B, and which was assigned to the Agent pursuant to Assignment of Lease and Agreement dated as of November 1, 1977 (the "Assignment of Lease and Agreement"), which Assignment of Lease and Agreement was recorded with the ICC on December 28, 1977, at 2:05 p.m., recordation number 9139;

WHEREAS the Lessee and the Owner Participant are parties to an Indemnity Agreement dated as of November 1, 1977 (the "Indemnity Agreement"); and

WHEREAS the parties hereto desire to amend the Participation Agreement, the Conditional Sale Agreement, the Lease, the Certificates of Interest held by the Investors and the Indemnity Agreement.

NOW, THEREFORE, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto hereby agree as follows:

1. The parties hereto which are parties to the Participation Agreement hereby amend (a) the third Whereas clause of the Participation Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (b) the first sentence of the first paragraph of Paragraph 9 and the first sentence of the third paragraph of Paragraph 9 of the Participation Agreement by deleting the date "May 31, 1978" from each such sentence and inserting in lieu thereof the date "July 31, 1978" and (c) the first sentence of the fourth paragraph of Paragraph 9 of the Participation Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978".

2. Each party hereto other than the Owner-Trustee and the Builder hereby approves the amendment contained in Section 3 hereof, each party hereto other than the Owner-

Trustee and the Lessee hereby approves the amendment contained in Section 4 hereof and each party hereto other than the Lessee and the Owner Participant hereby approves the amendment contained in Section 5 hereof.

3. The Owner-Trustee and the Builder hereby amend (a) the first sentence of the first paragraph of Article 3 of the Conditional Sale Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (b) the first sentence of the second paragraph of Article 3 of the Conditional Sale Agreement by deleting therefrom the date "May 19, 1978" and inserting in lieu thereof the date "July 20, 1978", (c) subparagraph (a)(i) of the third paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the percentage "31.00%" and inserting in lieu thereof the percentage "31.75%", (d) subparagraph (a)(ii) of the third paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the percentage "69.00%" and inserting in lieu thereof the percentage "68.25%", (e) the third sentence of the second paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "May 31, 1978" and inserting in lieu thereof the date "July 31, 1978", (f) the first sentence of the fourth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the dates

"June 1 and December 1", "December 1, 1978" and "December 1, 1987" and inserting in lieu thereof the dates "February 1 and August 1", "February 1, 1979" and "February 1, 1988", (g) the third sentence of the fourth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978", (h) the fifth paragraph of Article 4 of the Conditional Sale Agreement by deleting therefrom the date "June 1, 1978" and inserting in lieu thereof the date "August 1, 1978", (i) Schedule I to the Conditional Sale Agreement is hereby deleted and restated in its entirety as set forth in Exhibit A hereto, (j) Item 2 of Annex A to the Conditional Sale Agreement is hereby deleted and restated in its entirety as set forth in Exhibit B hereto, (k) Item 5 of Annex A to the Conditional Sale Agreement by deleting therefrom the amount "\$5,727,000" and inserting in lieu thereof the amount "\$5,664,750" and (l) the column headed "Estimated Time and Place of Delivery" in Annex B to the Conditional Sale Agreement, with respect to the Auto Racks with the Builder's specification CP-77-RP-Ford, by deleting therefrom the date "January-February 1978" and inserting in lieu thereof the date "January-March 1978", with respect to the Auto Racks with the Builder's specification CP-77-BL-C-Ford, by deleting therefrom the date "January-

February 1978" and inserting in lieu thereof the date "January-April 1978", with respect to the Auto Racks with the Builder's specification CP-77-RP-GM, by deleting therefrom the date "February-March 1978" and inserting in lieu thereof the date "March-May 1978" and, with respect to the Auto Racks with the Builder's specifications CP-BL-E-GM, by deleting therefrom the date "March-April 1978" and inserting in lieu thereof the date "April-May 1978".

4. The Owner-Trustee and the Lessee hereby amend (a) § 2 of the Lease by adding immediately following the first paragraph of § 2 an additional paragraph as set forth in Exhibit C hereto, (b) the first paragraph of § 3 of the Lease is hereby deleted and there is substituted therefor a new first paragraph as set forth in Exhibit C hereto, (c) the first paragraph of § 13 of the Lease is hereby deleted and there is substituted therefor a new first paragraph as set forth in Exhibit D hereto and (d) Schedule B to the Lease is hereby deleted and restated in its entirety as set forth in Exhibit E hereto.

5. The Lessee and the Owner-Participant hereby amend (a) page 4 of the Indemnity Agreement by substituting the date "August 1, 1978" for the date "June 1, 1978" in the three places on such page where the latter date appears and (b) page 5 of the Indemnity Agreement by substituting the

date "August 1, 1978" for the date "June 1, 1978" which now appears on such page.

6. Each of the Certificates of Interest is hereby amended by (a) deleting from clause (i) of the first sentence of the second paragraph the dates "June 1 and December 1", "December 1, 1978" and "December 1, 1987" and inserting in lieu thereof the dates "February 1 and August 1", "February 1, 1979" and "February 1, 1988", (b) deleting from clause (ii) of the first sentence of the second paragraph the dates "June 1 and December 1" and "June 1, 1978" and inserting in lieu thereof the dates "February 1 and August 1" and "August 1, 1978" and (c) by inserting the following sentence at the end of the first paragraph thereof: "The above-described Agreements have been amended by an Amendment Agreement dated as of March 15, 1978, among the parties to said Agreements."

7. This Amendment Agreement, insofar as it relates to the Participation Agreement, shall be governed by the laws of the State of New York, insofar as it relates to the Conditional Sale Agreement, shall be governed by the laws of the State of Utah, insofar as it relates to the Lease, shall be governed by the laws of the State of Ohio and, insofar as it relates to the Indemnity Agreement, shall be governed by the laws of the State of Ohio.

8. The Agreement and Assignment and the Assignment of Lease and Agreement are hereby amended to permit the aforesaid amendments to the Conditional Sale Agreement and the Lease as though originally set forth therein.

9. The Lessee will promptly cause this Amendment Agreement to be filed and recorded in accordance with the provisions of § 15 of the Lease.

10. Except as amended hereby, the Participation Agreement, the Conditional Sale Agreement, the Lease, the Agreement and Assignment, the Assignment of Lease and Agreement, the Certificates of Interest and the Indemnity Agreement shall remain in full force and effect.

11. This Amendment Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party hereto shall execute a counterpart thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment Agreement to be executed by duly

authorized officers or other persons, as of the date first above written.

THE CHESAPEAKE AND OHIO RAILWAY COMPANY,

by

Assistant Vice-President and Treasurer

[Corporate Seal]

Attest:

Assistant Secretary

BWL, INC.,

by

Vice President

FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, not in its individual capacity, but solely as Owner-Trustee,

by

Authorized Officer

[Seal]

Attest:

Authorized Officer

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent,

by

Assistant Vice President

[Corporate Seal]

Attest:

Corporate Trust Officer

PORTEC, INC. (Paragon  
Division),

by

\_\_\_\_\_  
Vice President

[Corporate Seal]

Attest:

\_\_\_\_\_  
Secretary

CUNA MUTUAL INSURANCE GROUP,

by

\_\_\_\_\_  
Assistant Vice President

EMPLOYERS MUTUAL LIABILITY  
INSURANCE COMPANY OF WISCONSIN,

by

\_\_\_\_\_  
Manager--Bond Investments

GULF LIFE INSURANCE COMPANY,

by

\_\_\_\_\_  
Vice President--Investments

AMERICAN-AMICABLE LIFE INSURANCE  
COMPANY,

by

\_\_\_\_\_  
Assistant Secretary

THE MERCHANTS BANK,

by

*Donald Kempton*  
Senior Vice President

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

On this            day of March 1978 before me personally appeared            , to me personally known, who, being by me duly sworn, says that he is an authorized officer of FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the seal of said national bank, that said instrument was signed and sealed on behalf of said national 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 national bank.

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Notary Public

[NOTARIAL SEAL]

My Commission expires

STATE OF MARYLAND, )  
 ) ss.:  
CITY OF BALTIMORE, )

On this            day of March 1978 before me personally appeared            , to me personally known, being by me duly sworn, says that he is an Assistant Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the 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.

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Notary Public

[NOTARIAL SEAL]

My Commission expires

STATE OF OHIO,            )  
                              )  ss.:  
COUNTY OF CUYAHOGA, )

On this            day of March 1978, before me personally appeared L. C. Roig, Jr., to me personally known, who, being by me duly sworn, says that he is Assistant Vice-President and Treasurer of THE CHESAPEAKE AND OHIO RAILWAY COMPANY, 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.

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Notary Public

[Notarial Seal]

My Commission expires



SCHEDULE I

Allocation Schedule of Each \$1,000,000  
of Conditional Sale Indebtedness  
Payable in Installments  
from February 1, 1979 Through February 1, 1988

<u>Payment</u> <u>No.</u>	<u>Date Due</u>	<u>Principal</u> <u>Balance</u> <u>(Before</u> <u>Payment)</u>	<u>Total</u> <u>Payment</u>	<u>Interest</u> <u>Payment</u>	<u>Principal</u> <u>Recovery</u>	<u>Ending</u> <u>Principal</u>
1	FEB 1, 1979	\$1,000,000.00	\$71,762.63	\$41,000.00	\$30,762.63	\$969,237.37
2	AUG 1, 1979	969,237.37	71,762.63	39,738.73	32,023.90	937,213.47
3	FEB 1, 1980	937,213.47	71,762.63	38,425.75	33,336.88	903,876.59
4	AUG 1, 1980	903,876.59	71,762.63	37,058.94	34,703.69	869,172.90
5	FEB 1, 1981	869,172.90	71,762.63	35,636.09	36,126.54	833,046.36
6	AUG 1, 1981	833,046.36	71,762.63	34,154.90	37,607.73	795,438.63
7	FEB 1, 1982	795,438.63	71,762.63	32,612.98	39,149.65	756,288.98
8	AUG 1, 1982	756,288.98	71,762.63	31,007.85	40,754.78	715,534.20
9	FEB 1, 1983	715,534.20	71,762.63	29,336.90	42,425.73	673,108.47
10	AUG 1, 1983	673,108.47	71,762.63	27,597.45	44,165.18	628,943.29
11	FEB 1, 1984	628,943.29	87,709.89	25,786.68	61,923.21	567,020.08
12	AUG 1, 1984	567,020.08	87,709.89	23,247.82	64,462.07	502,558.01
13	FEB 1, 1985	502,558.01	87,709.89	20,604.88	67,105.01	435,453.00
14	AUG 1, 1985	435,453.00	87,709.89	17,853.57	69,856.32	365,596.68
15	FEB 1, 1986	365,596.68	87,709.89	14,989.46	72,720.43	292,876.25
16	AUG 1, 1986	292,876.25	87,709.89	12,007.93	75,701.96	217,174.29
17	FEB 1, 1987	217,174.29	87,709.89	8,904.15	78,805.74	138,368.55
18	AUG 1, 1987	138,368.55	87,709.89	5,673.11	82,036.78	56,331.77
19	FEB 1, 1988	56,331.77	58,641.37	2,309.60	56,331.77	0.00

EXHIBIT B

Item 2: Unless the Lessee, the Vendee and the Builder otherwise agree, the Equipment shall be settled for in not more than three groups of units of Equipment; the first group shall consist of 82 Auto Racks, tri-level railpac and 25 Auto Racks, bi-level, and shall be settled for on or about March 30, 1978; the second group shall consist of approximately 42 Auto Racks, tri-level railpac and 41 Auto Racks, bi-level, and shall be settled for on or about April 20, 1978; and the third group shall consist of approximately 76 Auto Racks, tri-level railpac and 54 Auto Racks, bi-level, and shall be settled for on or about May 10, 1978. In the event the proposed Purchase Price of any unit of Equipment is in excess of the base price of such unit and such excess is not the result of additional or modified items or features on the Equipment, such excess shall be separately invoiced by the Builder on or before July 14, 1978, for payment on a fourth closing date to be scheduled by the Lessee on or before July 28, 1978; provided, however, that the Lessee shall have access to the Builder's files and records with respect to such unit for purposes of confirming the accuracy of such excess.

EXHIBIT C

All Units which are delivered and accepted hereunder on or prior to June 30, 1978, are hereinafter called Group A Units; and all Units which are delivered and accepted hereunder after June 30, 1978, and on or prior to July 20, 1978, are hereinafter called Group B Units. Promptly after the final settlement for all Units, the Lessee will notify the Owner-Trustee if any Units are Group B Units and, if there are any such Units, the Owner-Trustee and the Lessee will enter into a supplement hereto setting forth the rack numbers of the Units which are designated Group A Units and Group B Units.

§ 3. Rentals. The Lessee agrees to pay to the Lessor, as rental for each Unit subject to this Lease, one interim rental payment on August 1, 1978, and thereafter 20 consecutive semi-annual payments payable in arrears on February 1 and August 1 of each year commencing February 1, 1979. The interim rental payable on August 1, 1978, shall be in an amount equal to .022788% of the Purchase Price (as defined in the Security Documentation) of each such Unit then subject to this Lease from the Closing Date (as defined in the Security Documentation) for that Unit for each actual day elapsed to and including August 1, 1978. The first 10 semi-annual rental payments shall each be in an amount equal to 4.8978% of the Purchase Price of each Group A Unit then subject to this Lease and 5.1462% of the Purchase Price of each such Group B Unit then subject to this Lease; and the last 10 semi-annual rental payments shall each be in an amount equal to 5.9862% of the Purchase Price of each Group A Unit then subject to this Lease and 6.2898% of the Purchase Price of each Group B Unit then subject to this Lease. In addition, as additional rental hereunder, the Lessee agrees to pay to the Lessor on the Cut-Off Date and on August 1, 1978, respectively, amounts equal to the amounts required to be paid by the Lessor pursuant to the last paragraph of Paragraph 9 of the Participation Agreement.

EXHIBIT D

§ 13. Renewal and Right of First Refusal. 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 elect to extend the term of this Lease in respect of all but not fewer than all of the Units then covered by this Lease, for one additional one-year period commencing on the scheduled expiration of the original term of this Lease, provided that such extended term does not extend beyond August 1, 1989, at a rental payable in semi-annual payments on February 1 and August 1 in such extended term. Each semiannual rental payment shall be in an amount equal to 2.7210% of the Purchase Price of each Unit then subject to this Lease.

Schedule B to LeaseTable 1

August 1, 1978	86.4527
February 1, 1979	85.7199
August 1, 1979	84.6265
February 1, 1980	83.3140
August 1, 1980	81.8175
February 1, 1981	80.1245
August 1, 1981	78.2599
February 1, 1982	76.2114
August 1, 1982	74.0004
February 1, 1983	71.6191
August 1, 1983	69.0855
February 1, 1984	65.3082
August 1, 1984	61.3631
February 1, 1985	57.2715
August 1, 1985	53.0394
February 1, 1986	48.6808
August 1, 1986	44.1977
February 1, 1987	39.6100
August 1, 1987	34.9159
February 1, 1988	30.1416
August 1, 1988	25.2305
February 1, 1989	23.3784
August 1, 1989 and thereafter	20.0000

Table 2

The percentages set forth in Table 1 of this Schedule B have been computed without regard to recapture of the Investment Credit (as defined in the Indemnity Agreement referred to in the Participation Agreement). Consequently, the Casualty Value of the Equipment suffering a Casualty Occurrence on or before the third, fifth or seventh anniversary of the date of delivery and acceptance of the Equipment 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	20.0321
Fifth	13.3547
Seventh	6.6774