

RECORDATION NO. 7032-a
Filed & Recorded

LEASE OF RAILROAD EQUIPMENT

MAY 23 1973 - 4 25 PM

INTERSTATE COMMERCE COMMISSION

Dated as of May 1, 1973

between

ST. LOUIS-SAN FRANCISCO RAILWAY COMPANY

and

TRUST COMPANY FOR USL, INC., as Trustee

**ASSIGNMENT OF LEASE
AND AGREEMENT**

Dated as of May 1, 1973

between

TRUST COMPANY FOR USL, INC., as Trustee

and

**THE BOATMEN'S NATIONAL BANK OF ST. LOUIS,
as Agent**

LEASE OF RAILROAD EQUIPMENT dated as of May 1, 1973, between ST. LOUIS-SAN FRANCISCO RAILWAY COMPANY (hereinafter called the Lessee), and TRUST COMPANY FOR USL, INC. (hereinafter called the Lessor), as Trustee under a Trust Agreement dated as of the date hereof with FIRST NATIONAL BANK OF BIRMINGHAM.

WHEREAS, the Lessor and the Lessee are entering into two Conditional Sale Agreements dated as of the date hereof (hereinafter called the Security Documents), with GENERAL MOTORS CORPORATION (Electro-Motive Division) and GENERAL ELECTRIC COMPANY, respectively (hereinafter individually called a Builder and together called the Builders), wherein the Builders have agreed to manufacture, sell and deliver to the Lessor the units of railroad equipment described in Schedule A hereto;

WHEREAS, the Builders are assigning their interest in the Security Documents to THE BOATMEN'S NATIONAL BANK OF ST. LOUIS, as Agent (hereinafter, together with its successors and assigns, referred to as the Vendor); and

WHEREAS, the Lessee desires to lease all the units of said equipment, or such lesser number as are delivered and accepted and settled for under the Security Documents (such units being hereinafter called the Units), at the rentals and for the terms and upon the conditions hereinafter provided;

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

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

SECTION 2. Delivery and Acceptance of Units. Section 2 of the Model Lease Provisions is herein incorporated as Section 2 hereof.

SECTION 3. Rentals. The Lessee agrees to pay to the Lessor as rental for each Unit subject to this Lease 61 consecutive quarter-annual payments, payable on March 6, June 6, September 6 and December 6 in each year, commencing with September 6, 1973 (or if any such date is not a business day on the next preceding business day). The first such payment shall be in an amount equal to .117% of the Purchase Price (as defined in the Security Documents) of each Unit then subject to this Lease plus an amount equal to .019445% of such Purchase Price for each day elapsed from the date such Unit was settled for under the Conditional Sale Agreement to and including September 6, 1973. The next such payment shall be in an amount equal to 2.2260% of the Purchase Price of each Unit then subject to this Lease, less an amount equal to .016882% of the Purchase Price of each Unit settled for after September 6, 1973, for each day elapsed from September 6, 1973 to the date such Unit was settled for under the Conditional Sale Agreement, plus an amount equal to .117% of the Purchase Price of each Unit settled for after September 6, 1973. The remaining payments shall each be in an amount equal to 2.2260% of the Purchase Price of each Unit then subject to this Lease.

The Lessee agrees to make all the payments provided for in this Lease in immediately available St. Louis or Federal funds (including but not limited to the payments required under Section 7 hereof) for the account of the Lessor, c/o the Vendor, on or before 11 o'clock St. Louis time on the date upon which payments are due and payable.

This Lease is a net lease and the Lessee shall not be entitled to any abatement of rent, reduction thereof or setoff against rent, including, but not limited to, abatements, reductions or setoffs due or alleged to be due by reason of any past, present or future claims of the Lessee against the Lessor under this Lease or under the Security Documents, including the Lessee's rights by subrogation under Article 8 thereof, or the Builder or the Vendor or otherwise; nor, except as otherwise expressly provided herein, shall this Lease terminate, or the respective obligations of the Lessor or the Lessee be otherwise affected, by reason of any defect in or damage to or loss of possession or loss of use or destruction of all or any of the Units from whatsoever cause, any liens, encumbrances or rights of others with respect to any of the Units, the prohibition of or other restriction against the Lessee's use of all or any of the Units, the interference with such use by any person or entity, the invalidity or unenforceability or lack of due authorization of this Lease, any insolvency, bankruptcy, reorganization or similar proceeding against the Lessee, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the rents and other amounts payable by the Lessee hereunder shall continue to be payable in all events in the manner and at the times herein provided unless the obligation to pay the same shall be terminated pursuant to

the express provisions of this Lease. To the extent permitted by applicable law, the Lessee hereby waives any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender the lease of any of the Units except in accordance with the express terms hereof. Each rental or other payment made by the Lessee hereunder shall be final and the Lessee shall not seek to recover all or any part of such payment from the Lessor for any reason whatsoever.

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

Notwithstanding anything to the contrary contained herein, all rights and obligations under this Lease and in and to the Units, upon default by the Lessee hereunder, or under the Security Documents in its capacity as Guarantor or otherwise, are subject to the rights of the Vendor under the Security Documents. If an event of default should occur under the Security Documents, the Vendor may terminate this Lease (or rescind its termination), all as provided therein, unless the Lessee is not so in default under this Lease or under the Security Documents.

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

SECTION 6. Taxes. Section 6 of the Model Lease Provisions is herein incorporated as Section 6 hereof.

SECTION 7. Payment for Casualty Occurrences; Insurance. In the event that any Unit shall be or become worn out, lost, stolen, destroyed, or, in the opinion of the Lessor or the Lessee, irreparably damaged, from any cause whatsoever, or taken or requisitioned by condemnation or otherwise (such occurrences being hereinafter called Casualty Occurrences) during the term of this Lease, the Lessee shall promptly and fully notify the Lessor and the Vendor with respect thereto. On the rental payment date next succeeding such notice, (or in the event such rental payment date shall occur within five days after such notice, on the following rental payment date), in lieu of the rental payment then due, the Lessee shall pay to the Lessor an amount equal to the Casualty Value (as hereinafter defined) of such Unit as of the date of such payment in accordance with the schedule set out below. Upon the making of such payment by the Lessee in respect of any Unit, the rental for such Unit shall cease to accrue, the term of this Lease as to such Unit shall terminate, the Lessee shall become entitled to such Unit "as-is" - "where-is," without recourse and without representations or warranties of any kind

whatsoever, and the Lessor, shall, upon the request of the Lessee, deliver to or upon the order of the Lessee a bill of sale, without warranty, for such unit.

Subject to the provisions of Section 17 hereof, the Casualty Value of each Unit as of any rental payment date shall be determined by multiplying the Purchase Price of such Unit by the percentage set forth opposite the number of such rental payment date (such numbers commencing with the payment due on December 6, 1973) in the following schedule:

<u>Payment No.</u>	<u>Percentage</u>	<u>Payment No.</u>	<u>Percentage</u>
1	104.750	31	77.625
2	104.750	32	76.250
3	105.125	33	74.875
4	105.625	34	73.500
5	105.875	35	72.000
6	106.125	36	70.500
7	106.375	37	69.000
8	106.500	38	67.375
9	106.625	39	65.875
10	106.625	40	64.250
11	106.625	41	62.625
12	106.500	42	60.750
13	101.500	43	58.750
14	101.250	44	56.875
15	100.875	45	54.875
16	100.500	46	53.000
17	100.000	47	51.000
18	99.500	48	49.000
19	99.000	49	47.000
20	98.375	50	45.000
21	92.750	51	43.000
22	92.000	52	41.000
23	91.125	53	39.000
24	90.250	54	37.000
25	89.250	55	35.125
26	88.250	56	33.125
27	87.250	57	31.125
28	86.125	58	29.125
29	80.125	59	27.125
30	78.875	60	25.250
		Thereafter	15.000

Except as hereinabove in this Section 7 provided, the Lessee shall not be released from its obligations hereunder in the event of, and shall bear the risk of, any Casualty Occurrence to any Unit after delivery to and acceptance thereof by the Lessee hereunder.

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

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

SECTION 8. Annual Reports. Section 8 of the Model Lease Provisions is herein incorporated as Section 8 hereof.

SECTION 9. Disclaimer of Warranties; Compliance with Laws and Rules; Maintenance; and Indemnification. Section 9 of the Model Lease Provisions is hereby amended by inserting after the last word of the third paragraph thereof the words "ordinary wear and tear excepted." Section 9 of the Model Lease Provisions, as so amended, is herein incorporated as Section 9 hereof.

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

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

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

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

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

E. a petition for reorganization under Section 77 of the Bankruptcy Act, as now constituted or as said Section 77 may hereafter be amended, shall be filed by or against the Lessee and, unless such petition shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Lessee under the Security Documents and this Lease shall not

have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed in such proceedings in such manner that such obligations shall have the same status as obligations incurred by such trustee or trustees, within 30 days after such appointment, if any, or 60 days after such petition shall have been filed, whichever shall be earlier;

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

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

(b) by notice in writing to the Lessee terminate this Lease, whereupon all rights of the Lessee to the use of the Units shall absolutely cease and terminate as though this Lease had never been made, but the Lessee shall remain liable as hereinafter provided; and thereupon the Lessor may by its agents enter upon the premises of the Lessee or other premises where any of the Units may be and take possession of all or any of such Units and thenceforth hold, possess and enjoy the same free from any right of the Lessee, or its successors or assigns, to use the Units for any purpose whatever; but the Lessor shall, nevertheless, have a right to recover from the Lessee any and all amounts which under the terms of this Lease may be then due or which may have accrued to the date of such termination (computing the rental for any number of days less than a full rental period by multiplying the rental for such full rental period by a fraction of which the numerator is such number of days and the denominator is the total number of days in such full rental period) and also to recover forthwith from the Lessee (i) as damages for loss of the bargain and not as a penalty, a sum, with respect to each Unit, which represents the excess of (x) the present value, at the time of such termination, of the entire unpaid balance of all rental for such Unit which would otherwise have accrued hereunder from the date of such termination to the end of the term of this Lease as to such Unit over (y) the then present value of the rentals which the Lessor reasonably estimates to be obtainable for the Unit during such period, such present value to be computed in each case on the basis of an 8% per annum discount, compounded quarterannually from the respective dates upon which rentals would have been payable hereunder had this Lease not been terminated, (ii) any damages and expenses, including reasonable attorneys' fees, in addition thereto which the Lessor shall have sustained by reason of the breach of any covenant or covenants of this Lease other than for the payment of rental, and (iii) an amount which, after (A) deduction of all taxes required to be paid by the Lessor in

respect of the receipt thereof under the laws of the United States of America or any political subdivision thereof, calculated on the assumption that the Lessor's federal, state and local taxes computed by reference to net income or excess profits are based on the highest corporate federal, state and local income tax and/or excess profit tax rates generally applicable to the Lessor, including therein the effect of any applicable surtax, surcharge and/or other tax or charge related thereto, and computing any such federal tax by deducting 48% of the amount of any such state and local tax (such rates as so calculated being hereinafter in this Agreement called the Assumed Rates) and (B) taking into account the effect to the Lessor of any increased rentals theretofore paid or then determined to be payable pursuant to Section 17 hereof shall be equal to any portion of the Investment Credit (as defined in Section 17 hereof), lost, not claimed, not available for claim, disallowed or recaptured by or from the Lessor as a result of the breach of one or more of the representations, warranties and covenants made by the Lessee in this Lease or the sale or other disposition of the Lessor's interest in any Unit after the occurrence of an Event of Default plus such sum as, in the reasonable opinion of the Lessor, will cause the Lessor's net return (taxes being calculated at the Assumed Rates) under this Lease to be equal to the net return (taxes being calculated at the Assumed Rates) that would have been available to the Lessor if it had been entitled to utilization of all or such portion of the Depreciation Deductions (as defined in Section 17 hereof) which were lost, not claimed, not available for claim, disallowed or recaptured in respect of such Unit as a result of the breach of one or more of the representations, warranties and covenants made by the Lessee in this Lease, the termination of this Lease, the Lessee's loss of the right to use such Unit, any action or inaction by the Lessor or the sale or other disposition of the Lessor's interest in such Unit after the occurrence of an Event of Default.

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

The failure of the Lessor to exercise the rights granted it hereunder upon the occurrence of any of the contingencies set

forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies.

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

SECTION 12. Assignment; Possession and Use. Section 12 of the Model Lease Provisions is hereby amended by inserting after the words "in the usual interchange of traffic" the words "or pursuant to run-through agreements" in the third paragraph thereof. section 12 of the Model Lease Provisions, as so amended, is herein incorporated as Section 12 hereof.

SECTION 13. Purchase and Renewal Options. Provided that this Lease has not been earlier terminated and the Lessee is not in default hereunder, the Lessee may by written notice delivered to the Lessor not less than six months prior to the end of the original term of this Lease or any extended term hereof, as the case may be, elect (a) to extend the term of this Lease in respect of all, but not fewer than all, of such Units then covered by this Lease, for a period of five years commencing on the scheduled expiration of the original term of this Lease, at a rental payable in quarterannual payments in arrears, each in an amount equal to the "Fair Rental Value" of such Units, such quarterannual payments to be made on March 6, June 6, September 6 and December 6 in each year of the applicable extended term and (b) to purchase all, but not fewer than all, the Units covered by this Lease at the end of the original or any extended term of this Lease for a purchase price equal to the "Fair Market Value" of such Units as of the end of such term.

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

If on or before four months prior to the expiration of the term of this Lease, the Lessor and the Lessee are unable to agree upon a determination of the Fair Market Value or Fair Rental

Value of the Units, such value shall be determined in accordance with the foregoing definition by a qualified independent Appraiser. The term Appraiser shall mean such independent appraiser as the Lessor and the Lessee may mutually agree upon, or failing such agreement, a panel of three independent appraisers, one of whom shall be selected by the Lessor, the second by the Lessee and the third designated by the first two so selected. The Appraiser shall be instructed to make such determination within a period of 30 days following appointment, and shall promptly communicate such determination in writing to the Lessor and the Lessee. The determination so made shall be conclusively binding upon both Lessor and Lessee, provided, however, that if such determination is unsatisfactory to the Lessee, the Lessee may withdraw, provided that, such withdrawal is promptly made and, in any event, made not less than 60 days prior to the end of the term of this Lease. The expenses and fee of the Appraiser shall be borne by the Lessee.

Upon payment of the purchase price, the Lessor shall upon request of the Lessee execute and deliver to the Lessee, or to the Lessee's assignee or nominee, a bill of sale (without representations or warranties except that such Units are free and clear of all claims, liens, security interests and other encumbrances by or in favor of any person claiming by, through or under the Lessor) for such Units, and such other documents as may be required to release such Units from the terms and scope of this Lease and to transfer title thereto to the Lessee or such assignee or nominee, in such form as may reasonably be requested by the Lessee, all at the Lessee's expense.

SECTION 14. Return of Units upon Expiration of Term. Section 14 of the Model Lease Provisions is herein incorporated as Section 14 hereof.

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

SECTION 16. Recording; Expenses. Section 16 of the Model Lease Provisions is hereby amended by substituting the word "Lessor" for the word "Lessee" in the first sentence of the last paragraph thereof. Section 16 of the Model Lease Provisions, as so amended is, herein incorporated as Section 16 hereof.

SECTION 17. Federal Income Taxes. The Lessor, as the owner of the Units, shall be entitled to such deductions, credits and other benefits as are provided by the Internal Revenue Code of 1954, as amended to the date hereof (hereinafter called the Code), to an owner of the property, including (without limitation) an allowance for the investment credit (hereinafter called the Investment Credit) with respect to the Purchase Price of the Units pursuant to Section 38 and related sections of the Code and the maximum depreciation deduction with respect to the

Units authorized under Section 167 of the Code utilizing the "class life" prescribed in accordance with Section 167(m) of the Code (hereinafter called the Depreciation Deduction). The Lessor agrees that it will claim the Investment Credit and Depreciation Deduction with respect to the Units to the extent permissible under the Code.

Lessee agrees that neither it nor any corporation controlled by it, in control of it, or under common control with it, directly or indirectly, will at any time take any action or file any returns or other documents inconsistent with the foregoing and that each of such corporations will file such returns, take such action and execute such documents as may be reasonable and necessary to facilitate accomplishment of the intent thereof. Lessee agrees to keep and make available for inspection and copying by Lessor such records as will enable Lessor to determine whether it is entitled to the full benefit of the Investment Credit and the Depreciation Deduction with respect to the Units.

The Lessee represents and warrants that (i) none of the Units constitutes property the construction, reconstruction or erection of which was begun before April 1, 1971; (ii) at the time the Lessor becomes the owner of the Units, the Units will constitute "new Section 38 property" within the meaning of Section 48(b) of the Code and at the time the Lessor becomes the owner of the Units, the Units will not have been used by any person so as to preclude "the original use of such property" within the meaning of Sections 48(b) and 167(c) (2) of the Code from commencing with the Lessor and (iii) the Lessee will not at any time during the term of this Lease, use, or fail to use any Unit in such a way as to disqualify it as "Section 38 property" within the meaning of Section 48(a) of the Code.

The rental rate provided in Section 3 hereof and the Casualty Values provided in Section 7 hereof have been calculated on the basis of the Depreciation Deductions in respect to the Units being available on the basis of a 12-year life on one of the accelerated methods of depreciation provided in Section 167(b) of the Code. If such Depreciation Deductions may be increased at any time before September 6, 1984 because such deductions may be taken on the basis of an 11-year life, the quarterannual rental rate for the Units set forth in Section 3 hereof shall, on the next succeeding rental payment date after written notice to the Lessor by the Lessee of such fact, be decreased to 2.1974% of the Purchase Price of each Unit, the Casualty Value of any Unit suffering a Casualty Occurrence thereafter shall be determined in accordance with the schedule set out below in lieu of the schedule set out in Section 7 hereof.

<u>Payment No.</u>	<u>Percentage</u>	<u>Payment No.</u>	<u>Percentage</u>
1	104.750%	31	75.875%
2	104.750	32	74.500

3	105.250	33	73.000
4	105.625	34	71.500
5	105.875	35	70.000
6	106.125	36	68.375
7	106.375	37	66.750
8	106.500	38	65.125
9	106.500	39	63.500
10	106.500	40	61.750
11	106.500	41	60.125
12	106.375	42	58.125
13	101.250	43	56.125
14	100.875	44	54.125
15	100.500	45	52.125
16	100.000	46	50.125
17	99.500	47	48.125
18	98.875	48	46.125
19	98.250	49	44.125
20	97.625	50	42.000
21	92.000	51	40.000
22	91.125	52	38.000
23	90.125	53	36.000
24	89.250	54	33.875
25	88.125	55	31.875
26	87.125	56	29.875
27	85.875	57	27.875
28	84.750	58	25.875
29	78.625	59	23.875
30	77.250	60 and there- after	21.875 15.000

Upon written request of the Lessee, the Lessor will contest to the extent requested by the Lessee, any refusal by the Internal Revenue Service to allow Depreciation Deductions based on an 11-year life rather than a 12-year life, with the expense of such contest to be paid to the Lessor by the Lessee as additional rent. Any adjustment in rental rate and Casualty Value made pursuant to this paragraph shall be deemed effective as of the date that the Lessor is able to take Depreciation Deductions based on an 11-year life, and the Lessor will refund to the Lessee the amount of such adjustment in respect of payments previously made, together with interest at the rate of 4% per annum from such date to the date of such refund.

SECTION 18. Interest on Overdue Rentals. Anything to the contrary herein contained notwithstanding, any nonpayment of rentals and other obligations due hereunder shall result in the obligation on the part of the Lessee promptly to pay, to the extent legally enforceable, an amount equal to 9% per annum of the overdue rentals for the period of time during which they are overdue or such lesser amount as may be legally enforceable.

SECTION 19. Notices. Any notice required or permitted to be given by either party hereto to the other shall be deemed to have been given when deposited in the United States certified mails, first-class postage prepaid, addressed as follows:

(a) if to the Lessor, at 1211 West 22nd Street, Oak Brook, Illinois 60521, with a copy to United States Leasing International, Inc., 633 Battery Street, San Francisco, California 94111; and

(b) if to the Lessee, at 3523 East Trafficway, Springfield, Missouri 65802,

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

SECTION 20. Severability; Effect and Modification of Lease. Any provision of this Lease which is prohibited or unenforceable in any jurisdiction, shall be, as to such jurisdiction, ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

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

SECTION 21. Execution. This Lease may be executed in several counterparts, such counterparts together shall constitute but one and the same instrument, but the counterpart delivered to the Vendor shall be deemed to be the original counterpart. Although this Lease is dated as of May 1, 1973, for convenience, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 22. Law Governing. The terms of this Lease and all rights and obligations hereunder shall be governed by the laws of the State of Missouri, provided, however, that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

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

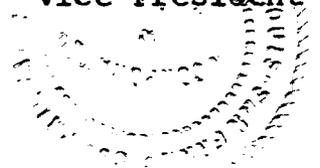
ST. LOUIS-SAN FRANCISCO RAILWAY COMPANY,

by Donald E. Fitch
Vice President

[CORPORATE SEAL]

Attest:

J. M. Butler
Assistant Secretary



TRUST COMPANY FOR U.S., INC., as Trustee

by John W. Meyer
Vice President

[CORPORATE SEAL]

Attest:

James L. Miller
Assistant Secretary



STATE OF MISSOURI
SS.:
CITY OF ST. LOUIS

On this 18th day of May, 1973, before me personally appeared Donald C. Engle, to me personally known, who, being by me duly sworn, says that he is a Vice President of ST. LOUIS-SAN FRANCISCO RAILWAY COMPANY, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

James Hanks
Notary Public

[NOTARIAL SEAL]

My Commission expires June 30, 1976



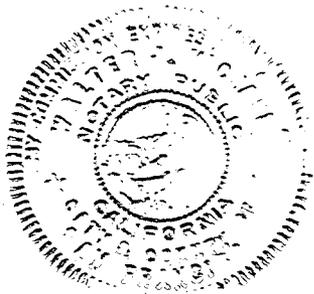
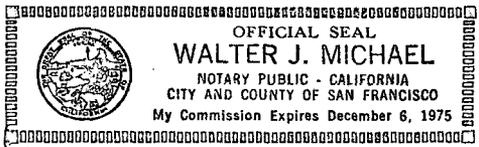
STATE OF California
SS.:
COUNTY OF San Francisco

On this 17th day of May, 1973, before me personally appeared Peter Mezey, to me personally known, who, being by me duly sworn, says that he is the Vice President of TRUST COMPANY for USL, INC., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Walter J. Michael
Notary Public

[NOTARIAL SEAL]

My Commission expires



SCHEDULE A

<u>Quantity</u>	<u>Description</u>	<u>Lessee's Road Numbers (Inclusive)</u>
26	General Motors Corporation (Electro-Motive Division) Model GP 38-2 2000 h.p. Diesel Locomotive	400-425
10	General Electric Company Model U30B 3000 h.p. Diesel Locomotive	844-853

ASSIGNMENT OF LEASE AND AGREEMENT dated as of May 1, 1973 (hereinafter called "this Assignment"), between TRUST COMPANY FOR USL, INC., as Trustee (hereinafter called the Lessor or the Vendee) and THE BOATMEN'S NATIONAL BANK OF ST. LOUIS, as Agent (hereinafter called the Vendor).

WHEREAS, the Lessor and ST. LOUIS-SAN FRANCISCO RAILWAY COMPANY (hereinafter called the Lessee) are entering into two Conditional Sale Agreements dated as of the date hereof (hereinafter called the Security Documents), with GENERAL MOTORS CORPORATION (Electro-Motive Division) and GENERAL ELECTRIC COMPANY, respectively (hereinafter individually called a Builder and together called the Builders), wherein the Builders have agreed to manufacture, sell and deliver to the Lessor the units of railroad equipment described in Schedule A hereto;

WHEREAS the Builders are assigning their interest in the Security Documents to the Vendor;

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

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

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

1. Subject to the provisions of Paragraph 11 hereof, the Lessor hereby assigns, transfers and sets over unto the Vendor, as collateral security for the payment and performance of the obligations of the Lessor as Vendee under the Security Documents, all the Lessor's right, title and interest, powers, privileges, and other benefits under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Lessor from the Lessee under or pursuant to the provisions of the Lease whether as rent, casualty payment, indemnity, liquidated damages, or otherwise (such moneys being hereinafter called the Payments), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and

to do any and all other things whatsoever which the Lessor is or may become entitled to do under the Lease. In furtherance of the foregoing assignment, the Lessor hereby irrevocably authorizes and empowers the Vendor in its own name, or the name of its nominee, or in the name of the Lessor or as its attorney, to ask, demand, sue for, collect and receive any and all sums to which the Lessor is or may become entitled under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof.

The Vendor agrees to accept any Payments made by the Lessee for the account of the Lessor pursuant to the second paragraph of Section 3 of the Lease. To the extent received, the Vendor will apply such Payments to satisfy the obligations of the Lessor under the Security Documents. So long as no event of default (or event which, with notice or lapse of time, or both, could constitute an event of default) under the Security Documents shall have occurred and be continuing, any balance shall be paid to the Lessor.

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

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

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

(b) At the Lessor's sole cost and expense, the Lessor will appear in and defend every action or proceeding arising under, growing out of or in any manner connected with the

obligations, duties or liabilities of the Lessor under the Lease.

(c) Should the Lessor fail to make any payment or to do any act which this Assignment requires the Lessor to make or do, then the Vendor, but without obligation so to do, after first making written demand upon the Lessor and affording the Lessor a reasonable period of time within which to make such payment or do such act, but without releasing the Lessor from any obligation hereunder, may make or do the same in such manner and to such extent as the Vendor may deem necessary to protect the security hereof, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof and the rights or powers of the Vendor, and also the right to perform and discharge each and every obligation, covenant and agreement of the Lessor contained in the Lease; and in exercising any such powers, the Vendor may pay necessary costs and expenses, employ counsel and incur and pay reasonable attorneys' fees, and the Company will reimburse the Investor for such costs, expenses and fees.

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

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

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

7. The Lessor will, from time to time, do and perform any other act and will execute, acknowledge, deliver and file, register, deposit and record (and will refile, reregister, rerecord or redeposit whenever required) any and all further instruments required by law or reasonably requested by the Vendor in order to confirm or further assure, the interests of the Vendor hereunder.

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

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

10. The Lessor shall cause copies of all notices received in connection with the Lease and all payments hereunder to be promptly delivered or made to the Vendor at its address set forth in Article 21 of the Security Documents, or at such other address as the Vendor shall designate.

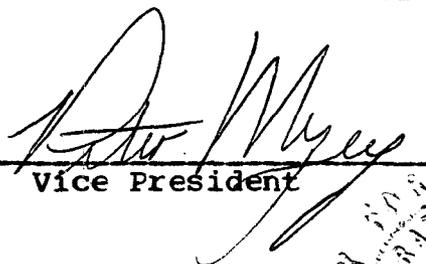
11. The Vendor hereby agrees with the Lessor that the Vendor will not, so long as no Event of Default under the Lease or an event of default under the Security Documents has occurred and is then continuing, exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits assigned and transferred by the Lessor to the Vendor by this Assignment.

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

TRUST COMPANY FOR USL, INC.,
as Trustee

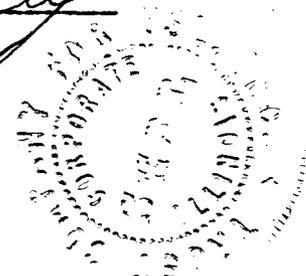
[CORPORATE SEAL]

by


Vice President

Attest:


Assistant Secretary



THE BOATMEN'S NATIONAL BANK
OF ST. LOUIS, as Agent,

by *Robert M. [unclear]*
Vice President *[Signature]*

[CORPORATE SEAL]

Attest:

R. C. Perry
Assistant Secretary
TRUST OFFICER

