NOVEMBER 8 1973

CONDITIONAL SALE AGREEMENT
Dated as of October 15, 1973

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RECORDATION NO. _____ Filed & Recorded

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INTERSTATE COMMERCE COMMISSION

Among

GENERAL ELECTRIC COMPANY,

as Manufacturer

EXCHANGE NATIONAL BANK OF CHICAGO,
AS TRUSTEE UNDER TRUST AGREEMENT DATED AS OF OCTOBER 15, 1
as Vendee

NORTH AMERICAN CAR CORPORATION,

as Guarantor

(N.A.C. Trust No. 73-1)

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Attachments to Conditional Sale Agreement

Schedule A - Description of Equipment

CONDITIONAL SALE AGREEMENT dated as of October 15, 1973 among GENERAL ELECTRIC COMPANY, a New York corporation (the "Manufacturer"), Exchange National Bank of Chicago, as Trustee (the "Vendee") under Trust Agreement dated as of October 15, 1973 (the "Trust Agreement") with COMMERCIAL CREDIT CAPITAL CORPORATION, as Trustor (the "Trustor"), and NORTH AMERICAN CAR CORPORATION, a Delaware corporation (the "Guarantor").

WHEREAS, the Manufacturer is willing to construct, sell and deliver to the Vendee, and the Vendee is willing to purchase, the railroad equipment described in Schedule A attached hereto subject to the terms hereof (collectively the "Equipment" and individually "Item of Equipment"); and

WHEREAS, the Vendee is executing a lease of the Equipment dated as of the date hereof to the Guarantor, subject to this Agreement, in the form attached as Exhibit C to the Trust Agreement (the "Lease"), and the Guarantor is willing to guarantee to the Manufacturer the due and punctual payment of certain sums payable by, and the due and punctual performance of all other obligations of, the Vendee under this Agreement and has joined in this Agreement for the purpose of setting forth the terms and conditions of such guaranty and making certain further agreements as hereinafter set forth; and

WHEREAS, the Manufacturer, the Vendee and the Guarantor have executed the Acquisition Agreement dated as of the date hereof relating to the acquisition of the Equipment, in the form attached as Exhibit A to the Trust Agreement (the "Acquisition Agreement");

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

SECTION 1. CONSTRUCTION AND SALE.

The Manufacturer will construct, sell and deliver to the Vendee, and the Vendee will purchase from the Manufacturer and accept delivery of and pay for as hereinafter provided, those Items of Equipment which are indicated on Schedule A attached hereto to be constructed and sold by the Manufacturer, each Item of which shall be constructed in accordance with the applicable specifications referred to in said Schedule A, and such modifications thereof as may be agreed upon in writing by the Vendee, the Guarantor and the

Manufacturer (which specifications and modifications, if any, are hereinafter called the "Specifications"). The design and quality of equipment and material in such Items shall conform to all Department of Transportation requirements and specifications for new equipment, and to all standards recommended by the Association of American Railroads, interpreted as being applicable to new railroad equipment of the character of such Items as of the date of this Agreement.

SECTION 2. DELIVERY.

2.1. The Manufacturer will deliver the Items of Equipment to the Vendee in accordance with the delivery schedule set forth in said Schedule A; provided, however, that the Manufacturer shall have no obligation to deliver any Item of Equipment hereunder and the Vendee shall have no obligation to purchase any Item of Equipment subsequent to the filing by or against the Guarantor of a petition for reorganization under the Bankruptcy Act.

2.2. The Manufacturer's obligations as to time of delivery is subject however, to delays resulting from causes beyond the Manufacturer's reasonable control, including, but not limited to, acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riots or civil commotion, sabotage, strikes, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities, or delays in receiving necessary materials.

2.3. Notwithstanding the foregoing provisions, the Vendee shall not be obligated hereunder to accept and pay for any Equipment not delivered and accepted on or before the outside delivery date provided therefor in Schedule A. Any Equipment not so delivered and accepted shall be excluded from this Agreement and not included in the term "Equipment" as used in this Agreement. The Guarantor, the Vendee and the Manufacturer shall execute an agreement supplemental hereto limiting this Agreement to the Equipment not excluded herefrom.

2.4. The Equipment during construction shall be subject to inspection by an inspector or other authorized representative of the Guarantor and the Vendee. Acceptance of the Equipment by the Guarantor under the Lease or any Sublessee of the Equipment pursuant to Section 17.4 of the Lease shall be deemed to be acceptance of the Equipment by the Vendee, and the Vendee agrees to cause the Guarantor to furnish the Certificate or Certificates of Acceptance under the Lease to the Manufacturer in such number of counterparts as may be reasonably requested.

2.5. The Manufacturer of the Equipment shall bear the risk of loss thereof or damage thereto until delivery to and acceptance by the Guarantor. Upon delivery and acceptance by the Guarantor of each Item of Equipment, the Vendee shall bear the risk of loss of or damage to such Items.

SECTION 3. PURCHASE PRICE AND PAYMENT.

3.1. The base price per Item of Equipment, including freight charges, if any, to place of delivery, but exclusive of interest, insurance and all other charges, is as set forth in said Schedule A. The base price per Item of Equipment shall be subject to decrease as may be agreed to in writing by the Manufacturer and the Guarantor, and the term "purchase price" as used herein shall mean the base price as so decreased.

3.2. All Items of Equipment shall be settled for on one Closing Date.

3.3. Subject to the provisions of Section 14 hereof, the Vendee hereby acknowledges itself to be indebted to the Manufacturer in the amount of, and hereby promises to pay to the Manufacturer at such bank or trust company in the United States of America as the Manufacturer or its assignee shall designate for payment to it, the purchase price of the Items of Equipment as follows:

(a) On the Closing Date an amount equal to 42.60% of the aggregate purchase price for all Items of Equipment; and

(b) An amount equal to the difference between the aggregate purchase price of the Equipment and the aggregate amount paid pursuant to subparagraph (a) of this Section 3.3 (herein sometimes called the "Conditional Sale Indebtedness") plus interest on the unpaid balance thereof payable in sixty (60) consecutive equal quarterly installments, including both principal and interest, each equal to 1.72708% of the aggregate purchase price of the Equipment, at the rate of 8 3/4% per annum, commencing three (3) calendar months after the Closing Date.

3.4. The obligations of the Vendee under this Agreement to accept delivery of and to pay for any Items of Equipment shall, in addition to any conditions herein set forth, be subject to the satisfaction of the conditions set forth in Section 3 of the

Acquisition Agreement. The payment by the Vendee on the Closing Date of the amount referred to in subparagraph (a) of the preceding Section 3.3 shall be conclusive evidence of such satisfaction.

3.5. The term "Closing Date" with respect to the Equipment shall mean such date which is not more than seven business days following presentation by the Manufacturer to the Vendee of the invoice, or invoices, and the Certificate or Certificates of Acceptance with respect to the Equipment, as shall be fixed by the Vendee by written or telegraphic notice delivered to the Manufacturer at least five business days prior to the Closing Date designated therein; provided that the Closing Date shall be not earlier than December 20, 1973 nor later than December 31, 1973.

3.6. The term "business days" as used herein means calendar days, excluding Saturdays, Sundays and holidays.

3.7. Interest under this Agreement shall be determined on the basis of a 360-day year of twelve 30-day months.

3.8. The Vendee will pay interest at the rate of 9 3/4% per annum upon all unpaid balances of indebtedness and (to the extent legally enforceable) upon interest, after the same shall have become due and payable pursuant to the terms hereof, anything herein to the contrary notwithstanding.

3.9. All payments provided for in this Agreement shall be made by the Vendee in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

3.10. Except as provided in Section 6.1 hereof the Vendee shall not have the privilege of prepaying any installment of the indebtedness prior to the date it becomes due hereunder.

SECTION 4. TITLE TO THE EQUIPMENT.

4.1. The Manufacturer shall and hereby does retain the full security title to and property in the Equipment until the Vendee shall have made all of the payments hereunder and shall have kept and performed all its agreements herein contained, notwithstandin the delivery of the Equipment to and the possession and use thereof by the Vendee or the Guarantor as herein provided. Any and all additions to the Equipment and any and all replacements of the Equipment and of parts thereof and additions thereto shall constitute

accessions to the Equipment and shall be subject to all terms and conditions of this Agreement and included in the term "Equipment" as used in this Agreement.

4.2. When and only when the Manufacturer shall have been paid the full indebtedness in respect of the purchase price of the Equipment, together with interest and all other payments as herein provided and all the Vendee's other obligations herein contained shall have been performed, absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Vendee without further transfer or action on the part of the Manufacturer, except that the Manufacturer, if requested by the Vendee so to do, will execute a bill or bills of sale of the Equipment releasing its security title thereto and property therein to the Vendee or upon its order free of all liens and encumbrances created or retained hereby and deliver such bill or bills of sale to the Vendee at its address specified in Section 20 hereof, and will execute in the same manner and deliver at the same place, for filing, registering, recording or depositing in all necessary public offices, such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the title of the Vendee to the Equipment, and will pay to the Vendee any money paid to the Manufacturer, pursuant to Section 6.1 hereof and not theretofore applied as therein provided. The Vendee hereby waives and releases any and all rights, existing or that may be acquired, in or to the payment of any penalty, forfeit or damages for failure to execute and deliver such bill or bills of sale or to file any certificate of payment in compliance with any law or statute requiring the filing of the same, except for failure to execute and deliver such bill or bills of sale or to file such certificate within a reasonable time after written demand by the Vendee.

SECTION 5. MARKING OF EQUIPMENT.

The Vendee will use its best efforts to cause the Guarantor to keep each Item of Equipment marked as contemplated by Section 4 of the Lease.

SECTION 6. CASUALTY OCCURRENCES.

6.1. In the event that any Item of Equipment shall be or become lost, stolen, destroyed, or, in the opinion of the Guarantor, irreparably damaged, or shall be requisitioned or taken over by any governmental authority under the power of eminent

domain or otherwise (each such occurrence, except for any requisition which by its terms does not exceed the period ending fifteen years following the Closing Date, being hereinafter called a "Casualty Occurrence"), prior to the payment of the indebtedness in respect of the purchase price of such Item, together with interest thereon and all other payments required hereby, the Vendee shall promptly (after it has knowledge of such Casualty Occurrence) and fully inform the Manufacturer in regard thereto. When the aggregate Casualty Payment (as herein defined) for Items of Equipment having suffered a Casualty Occurrence (exclusive of Items of Equipment having suffered a Casualty Occurrence with respect to which a payment shall have been made to the Manufacturer pursuant to this Section) shall exceed $60,000, the Vendee, on the date of payment of the next succeeding installment of principal and interest on such indebtedness, shall pay to the Manufacturer the Casualty Payment for such Item as of the date of such payment, provided that, notwithstanding the foregoing, the Vendee shall on the last installment payment date of each calendar year pay to the Manufacturer the Casualty Payment for any Item or Items of Equipment which have suffered a Casualty Occurrence during such calendar year or any prior year for which no payment has previously been made to the Manufacturer pursuant to this Section 6.1. Each such payment shall be accompanied by notification from the Vendee as to the Casualty Payment.

6.2. The Manufacturer, shall, immediately upon receipt thereof, apply the money deposited pursuant to Section 6.1 to the prepayment of the indebtedness in respect of the purchase price of the Equipment having suffered a Casualty Occurrence, plus interest then accrued on the portion thereof so prepaid, but without premium. The quarterly payments of the indebtedness in respect of the purchase price of the remaining Equipment and interest thereon, becoming due thereafter shall be redetermined on the basis of the amount of such indebtedness remaining unpaid and on the basis of the number of quarterly payments remaining immediately after such application.

6.3. Upon payment to the Manufacturer of the Casualty Payment in respect of an Item of Equipment having suffered a Casualty Occurrence, absolute right to the possession of, title to and property in such Item shall automatically pass to and vest in the Vendee without further transfer or action on the part of the Manufacturer thereof. The Manufacturer, if requested by the Vendee, will execute and deliver to the Vendee, at its address specified in Section 20 hereof, at the expense of the Vendee, appropriate instruments confirming such release to the Vendee of security title to and property in such Item, free of all liens and encumbrances created or retained hereby, in recordable form in order that the Vendee may make clear upon the public records the title of the Vendee to such Item.

6.4. The "Casualty Payment" in respect of each Item of Equipment having suffered a Casualty Occurrence shall be deemed to be that portion of the original purchase price thereof remaining unpaid on the date as of which such Casualty Payment shall be determined, plus interest accrued thereon but unpaid as of such date.

6.5. In the event that prior to the close of the period ending 15 years following the Closing Date the use of any Item of Equipment is requisitioned or taken by any governmental authority under the power of eminent domain or otherwise for an indefinite period or for a stated period ending on or before said date, the Vendee's duty to pay the indebtedness in respect of the purchase price thereof shall continue for the duration of such requisitioning or taking. The Vendee shall be entitled to receive and retain for its own account all sums payable for any such period by such governmental authority as compensation for requisition or taking of possession.

SECTION 7. OBLIGATIONS OF GUARANTOR.

7.1. The Guarantor, for value received, hereby unconditionally guarantees to the Manufacturer the due and punctual performance of all obligations of the Vendee under this Agreement and unconditionally guarantees to the Manufacturer that all sums payable by the Vendee under this Agreement (except that portion of the purchase price of the Equipment payable pursuant to Section 3.3(a) hereof) will be promptly paid when due in accordance with the provisions of this Agreement, together with interest thereon as herein provided, whether at stated maturity or by declaration or otherwise, and in case of default by the Vendee in any such obligations or payment the Guarantor agrees punctually to perform or pay the same, irrespective of any enforcement against the Vendee of any of the rights of the Manufacturer hereunder.

7.2. The Guarantor hereby agrees that its obligations hereunder shall be unconditional, irrespective of the genuine validity, regularity or enforceability of this Agreement or any other circumstances which might otherwise constitute a legal or equitable discharge of a surety or guarantor or limit the recourse of the Manufacturer against the Vendee. The Guarantor hereby waives diligence, presentment, demand for payment, protest, any notice of any assignment hereof in whole or in part or of any default hereunder and all notices with respect to this Agreement and all demands whatsoever hereunder. No waiver by the Manufacturer of any of its

rights hereunder and no action by the Manufacturer to enforce any of its rights hereunder or failure to take, or delay in taking, any such action shall affect the obligations of the Guarantor hereunder.

7.3. The Guarantor hereby covenants and agrees with the Manufacturer, for the benefit of the Manufacturer, faithfully to observe all the terms, covenants and conditions set forth in the Lease and to perform all obligations of the Guarantor thereunder, it being agreed that the undertakings of the Guarantor pursuant to the Lease shall be deemed a part of this Agreement with the same force and effect as if set forth herein in full. The obligations of the Guarantor under the provisions of the preceding sentence shall not be affected by any termination of the Lease or the invalidity thereof, as between the Vendee and the Guarantor, for any reason but shall continue as though the Lease continued in full force and effect until the indebtedness in respect of the purchase price of the Equipment, together with interest thereon, shall have been paid in full.

7.4. The Guarantor agrees that, at its own cost and expense it will maintain and keep each Item of Equipment in good order and repair, ordinary wear and tear excepted. The Guarantor agrees that during the period that any portion of the indebtedness in respect of the purchase price of the Equipment remains outstanding and unpaid, the Guarantor will not assign any Item of Equipment to service involving the regular operation and maintenance thereof outside the United States of America.

7.5. The Guarantor agrees that any insurance maintained as herein or in the Lease provided shall include among the named beneficiaries the Vendee and the Manufacturer, as their respective interests may appear.

7.6. In the event that the Guarantor shall make any payments to the Manufacturer on account of its guaranty hereunder, the Guarantor hereby covenants and agrees that it shall not acquire any rights, by subrogation or otherwise, against the Vendee or with respect to any of the Items of Equipment by reason of such payments, all such rights being hereby irrevocably released, discharged and waived by the Guarantor; provided, however, that after the payment by the Guarantor to the Manufacturer of all sums payable under this Agreement, the Guarantor shall, by subrogation, be entitled to the rights of the Manufacturer against the Vendee by reason of such payment, to the extent, but only to the extent, that the Vendee has received income and proceeds from the Equipment and has not applied such income and proceeds to the payment, in accordance with this Agreement, of sums payable by the Vendee to the Manufacturer hereunder.

SECTION 8. REPORTS AND INSPECTIONS.

On or before May 1 in each year, commencing with the year 1975, the Guarantor will furnish to the Manufacturer, concurrently with the transmission thereof to the Vendee, copies of each and every report or statement to be furnished to the Vendee by the Guarantor pursuant to Section 12 of the Lease. The Manufacturer shall have the right, by its agents, to inspect the Equipment and records of the Vendee and the Guarantor with respect thereto once in every year.

SECTION 9. POSSESSION AND USE.

9.1. The Vendee, so long as it shall not be in default under this Agreement, shall be entitled, from and after delivery of the Equipment by the Manufacturer to the Vendee, to the possession of the Equipment and the use thereof, but only upon and subject to all the terms and conditions of this Agreement.

9.2. Without limiting any of the rights of the Vendee under Section 13 hereof, the Vendee may lease the Equipment to the Guarantor or its assigns as permitted by, and for use as provided in, Section 17 of the Lease, provided, however, and the Guarantor hereby acknowledges, that the rights of the Guarantor and its permitted assigns under the Lease are subordinate and junior in rank to the rights, and are subject to the remedies, of the Manufacturer under this Agreement. A notice of any such assignment by the Guarantor shall be furnished to the Manufacturer together with a copy of such assignment should the Manufacturer request the same. Subject always to the provisions of Section 16 of the Lease the Vendee hereby agrees that it will not exercise any of the remedies provided in Section 14 of the Lease unless it shall notify the Manufacturer in writing of its intended exercise thereof, and hereby further agrees to furnish to the Manufacturer, at its written request, copies of all summons, writs, processes and other documents served by it upon the Guarantor or served by the Guarantor upon it in connection therewith.

SECTION 10. PROHIBITION AGAINST LIENS.

10.1. Subject to the provisions of Section 14 hereof, the Vendee will pay or satisfy and discharge any and all sums claimed by any party by, through or under the Vendee or its successors or assigns (other than the Guarantor or its assigns) which, if

unpaid, might become a lien or a charge upon any Item of Equipment equal or superior to the security title of the Manufacturer, but shall not be required to pay or discharge any such claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings in any reasonable manner and the nonpayment thereof does not, in the opinion of the Manufacturer, adversely affect the property or rights of the Manufacturer hereunder.

10.2. This covenant will not be deemed breached by reason of liens for taxes, assessments or governmental charges or levies, in each case not due and delinquent, or undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or other like liens arising in the ordinary course of business and, in each case, not delinquent (such liens being herein called "permitted liens").

SECTION 11. INDEMNITIES.

11.1. The Guarantor agrees to indemnify, protect and hold harmless the Manufacturer from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including counsel fees, arising out of retention by the Manufacturer of security title to the Equipment, or out of the use and operation thereof during the period when security title thereto remains in the Manufacturer, and also agrees that the Manufacturer shall be entitled to the benefit and protection of all indemnities of the Guarantor contained in the Lease to the same extent and with the same force and effect as if said indemnities were set forth herein in full and the Manufacturer was expressly named in the Lease as one of the parties entitled to the benefit and protection thereof. This covenant of indemnity shall continue in full force and effect notwithstanding the full payment of the indebtedness in respect of the purchase price of the Equipment and the conveyance of the Equipment, as provided in Section 4.2 hereof, or the termination of this Agreement in any manner whatsoever.

11.2. The Vendee will bear the risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of any Item or of all the Equipment.

11.3. The Manufacturer warrants that the Items of Equipment will be built in accordance with the Specifications therefor and warrants that the Items of Equipment will be free from defects in

material (except as to specialties incorporated therein specified by the Guarantor and not manufactured by the Manufacturer, in respect of which the Manufacturer hereby appoints and constitutes the Guarantor its agent and attorney-in-fact to assert and enforce from time to time in the name of the Manufacturer but for the account of the Vendee and the Guarantor as their interests may appear and in all cases at the sole cost and expense of the Guarantor whatever claims and rights the Manufacturer may have against the manufacturer of the specialty) or workmanship under normal use and service, the Manufacturer's obligation under this Section being limited to making good at its plant any part or parts of any such Item of Equipment which shall, within two years after the delivery of such Item of Equipment to the Vendee or before such Item of Equipment has been in scheduled service 250,000 miles, whichever event shall first occur, be returned to the Manufacturer with transportation charges prepaid and which the Manufacturer's examination shall disclose to its satisfaction to have been thus defective; provided, however, that this warranty shall not apply to (i) any components which shall have been repaired or altered unless repaired or altered by the Manufacturer or its authorized service representatives, if, in its judgment, such repairs or alterations affect the stability of any such Item of Equipment or (ii) any such Item of Equipment which has been subject to misuse, negligence or accident. THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND OF ALL OTHER OBLIGATIONS OR LIABILITIES ON THE PART OF THE MANUFACTURER, EXCEPT FOR ITS OBLIGATION HEREUNDER AS LIMITED HEREBY, AND THE MANUFACTURER NEITHER ASSUMES OR AUTHORIZES ANY PERSON TO ASSUME FOR IT ANY OTHER LIABILITY IN CONNECTION WITH THE CONSTRUCTION AND DELIVERY OF THE EQUIPMENT EXCEPT AS AFORESAID. IN NO EVENT SHALL THE MANUFACTURER BE LIABLE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR COMMERCIAL LOSS. The Manufacturer reserves the right to make changes in the design of, or add any improvements to, any Items of Equipment to be built by it at any time with the approval of the Guarantor without incurring any obligation to make similar changes or additions in respect of other Items of Equipment previously delivered to the Guarantor. The Manufacturer further agrees with the Vendee that acceptance of any Items of Equipment under Section 2.4 hereof shall not be deemed a waiver by the Vendee of any of its rights under this Section 11.3.

SECTION 12. PATENT INDEMNITIES.

12.1. Except in cases of designs specified by the Guarantor and not developed or purported to be developed by the Manufacturer, and articles and materials specified by the Guarantor and not manufactured by the Manufacturer, the Manufacturer agrees for itself

to indemnify, protect and hold harmless the Vendee and the Guarantor from and against any and all liability, claims, demands, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Vendee or the Guarantor because of the use in or about the construction or operation of any Item of Equipment to be built by it, of any design, article or material which infringes or is claimed to infringe on or to constitute contributory infringement with respect to any patent or other right. The Guarantor likewise will indemnify, protect and hold harmless the Manufacturer and the Vendee from and against any and all liability, claims, demands, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Manufacturer or the Vendee because of the use in or about the construction or operation of any Item of Equipment thereof, of any design specified by the Guarantor and not developed or purported to be developed by the Manufacturer, or article or material specified by the Guarantor and not manufactured by the Manufacturer, which infringes or is claimed to infringe on or to constitute contributory infringement with respect to any patent or other right. In case any Item of Equipment is held to constitute infringement of any patent or other similar right in respect of which liability may be charged against the Manufacturer, and the use of any Item of Equipment is enjoined, the Manufacturer shall, at its own expense and at its option, either procure for the Vendee and the Guarantor the right to continue using such Item of Equipment or replace the same with non-infringing equipment, or modify it so it becomes non-infringing. Without intending any limitation of the foregoing, the Manufacturer agrees to and hereby does, to the extent legally possible without impairing any claim, right or cause of action hereinafter referred to, transfer, assign, set over and deliver to the Vendee every claim, right and cause of action which the Manufacturer has or hereafter shall have against the originator of any design or against the seller or sellers of any designs or articles or materials purchased or otherwise acquired by the Manufacturer for use in or about the construction or operation of the Items of Equipment to be built by it on the ground that any such design, article or material or operation thereof infringes or is claimed to infringe on or to constitute contributory infringement with respect to any patent or other right and the Manufacturer further agrees to execute and deliver to the Vendee all and every such further assurance as may be reasonably requested by the Vendee, more fully to effectuate the assignment, transfer and delivery of every such claim, right and cause of action. The Manufacturer will give notice to the Vendee and the Guarantor of any claim known to the Manufacturer from which liability may be charged against the

Vendee or the Guarantor hereunder and the Guarantor and the Vendee will each give notice to the Manufacturer of any claim known to it from which liability may be charged against the Manufacturer hereunder.

12.2. The term "design" wherever used in this Agreement or in any assignment of this Agreement shall be deemed to include formulae, systems, processes and combinations.

12.3. The obligations and liabilities of the Manufacturer under this Section shall apply only to Equipment located and used in the continental United States, Canada and Mexico.

SECTION 13. ASSIGNMENTS.

13.1. The Vendee will not sell, assign, transfer or otherwise dispose of its rights under this Agreement or, except as provided in Section 9.2 hereof, transfer the right to possession of any Item of Equipment without first obtaining the written consent of the Manufacturer, which consent shall not be unreasonably withheld. No such sale, assignment or transfer shall subject the Manufacturer to any duties, obligations or liabilities whatsoever.

13.2. All or any of the rights, benefits and advantages of the Manufacturer under this Agreement, including the right to receive the payments herein provided to be made by the Vendee and the benefits arising from the undertakings of the Guarantor hereunder, may be assigned by the Manufacturer and reassigned by an assignee at any time or from time to time. No such assignment shall subject any assignee to, or relieve the Manufacturer from, any of the obligations of the Manufacturer to construct and to deliver the Equipment in accordance with the provisions hereof or to respond to its guaranties, warranties and agreements contained herein, or relieve the Vendee or the Guarantor of their respective obligations to the Manufacturer hereunder.

13.3. Upon any such assignment either the assignor or the assignee shall give written notice to the Vendee and the Guarantor, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall, by virtue of such assignment, acquire all of the Manufacturer's right, security title and interest in and to the Equipment, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Vendee and the Guarantor,

respectively, of the notification of any such assignment, all payments thereafter to be made by the Vendee or the Guarantor hereunder shall, to the extent so assigned, be made to the assignee at the address of the assignee specified in the aforesaid notice.

13.4. The Vendee and the Guarantor recognize that it is the custom of railroad equipment manufacturers or sellers to assign agreements of this character and understand that the assignment of this Agreement, or of some or all of the rights of the Manufacturer hereunder, is contemplated. The Vendee and the Guarantor expressly represent, for the purpose of assurance to any person, firm or corporation considering the acquisition of this Agreement or of all or any of the rights of the Manufacturer hereunder, and for the purpose of inducing such acquisition, that in the event of such assignment by the Manufacturer as hereinbefore provided the rights of such assignee to the entire unpaid indebtedness in respect of the purchase price of the Equipment or such part thereof as may be assigned, together with interest thereon, as well as any other rights hereunder which may be so assigned, shall not be subject to any defense, set-off, counterclaim or recoupment whatsoever arising out of any breach of any obligation of the Manufacturer with respect to the Equipment or the delivery or warranty thereof, or with respect to any indemnity herein contained, nor subject to any defense, set-off, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Vendee or the Guarantor by the Manufacturer. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Vendee or the Guarantor, as the case may be, against and only against the Manufacturer.

13.5. In the event of any such assignment or successive assignments by the Manufacturer of security title to the Equipment and of the Manufacturer's rights hereunder with respect thereto, the Vendee will, whenever requested by such assignee, change the names and word or words to be marked on each side of each Item of Equipment or, in the event such Item shall then be leased to the Guarantor, the Guarantor shall change the names and word or words to be marked on each side of such Item, so as to indicate the security title of such assignee to the Equipment with such names and word or words as shall be specified by such assignee, subject to the requirements of the laws of the jurisdictions in which the Equipment shall be operated relating to such names and word or words for use on equipment covered by conditional sale agreements with respect to railroad equipment. The cost of marking such names and word or words with respect to the first assignee of this Agreement, (or to a successor agent or trustee in case the first assignee is an agent or trustee) and with respect to the Vendee shall be borne by the Manufacturer. The cost of marking such names and word or words in connection with

any subsequent assignment (other than to a successor agent or trustee if the first assignee is an agent or trustee) will be borne by the subsequent assignee.

13.6. In the event of any such assignment prior to the completion of delivery of the Equipment, the Vendee will, in connection with settlement for the Equipment subsequent to such assignment, deliver to the assignee, at the time of delivery by the Vendee of notice fixing the Closing Date (pursuant to Section 3.5 hereof) with respect to the Equipment, all documents reasonably required by the terms of such assignment to be delivered by the Vendee to the assignee in connection with such settlement, in such number of counterparts as may reasonably be requested, except for any opinion of counsel for the assignee.

13.7. If the Manufacturer shall not have assigned this Agreement on or before the Closing Date, or if this Agreement shall have been assigned by the Manufacturer and the assignee shall not make payment to the Manufacturer on the Closing Date for the Items of Equipment* of an amount equal to that portion of the purchase price of such Items of Equipment, the Manufacturer will promptly notify the Guarantor of either such event, and the Items of Equipment affected thereby shall be excluded thereupon from the Items of Equipment for which payment is to be made on the Closing Date and the Guarantor shall not later than 90 days after the Closing Date pay or cause to be paid to the Manufacturer the purchase price of all such Items of Equipment, or the portion thereof unpaid by the assignee, together with interest thereon from the Closing Date to the date of payment by the Guarantor at a rate per annum equal to 1% over the highest prime rate of interest of leading New York City banks in effect on the Closing Date, such payment to be in cash either directly or indirectly if Guarantor shall arrange therefor, by means of a conditional sale agreement, equipment trust or other appropriate method of financing as the Guarantor shall determine and as may be reasonably satisfactory to the Manufacturer.

* DELIVERED PRIOR TO CLOSING DATE

SECTION 14. LIMITATION OF VENDEE'S OBLIGATIONS.

It is expressly understood and agreed by and between the Vendee, the Trustor under the Trust Agreement and the Manufacturer and their respective successors and assigns that this Agreement is executed by Exchange National Bank, not individually or personally but solely as Trustee under the Trust Agreement in the exercise of the power and authority conferred and vested in it as such Trustee (and Exchange National Bank hereby warrants that it possesses full power and authority to enter into and perform this Agreement); and it is expressly understood and agreed

that, except in the case of gross negligence or wilful misconduct of the Trustee or the Trustor, nothing herein contained shall be construed as creating any liability on Exchange National Bank, or on said Trustor individually or personally, to perform any covenant either express or implied contained herein, all such liability, if any, being expressly waived by the Manufacturer and by each and every person now or hereafter claiming by, through or under the Manufacturer; and that so far as Exchange National Bank or the Trustor or the Manufacturer, individually or personally are concerned, the Manufacturer and any person claiming by, through or under the Manufacturer shall look solely to the Trust Estate as defined in the Trust Agreement for payment of the indebtedness in respect of the purchase price of the Equipment, together with interest thereon and all other payments and obligations as herein provided. However, nothing herein contained shall limit, restrict or impair the right of the Manufacturer to proceed against the Guarantor hereunder, to accelerate the payment of the indebtedness in respect of the purchase price of the Equipment upon a default hereunder or to exercise the remedies hereunder or otherwise realize upon the Equipment or the sums due or to become due under the Lease, including the right to proceed against the Lessee under the Lease or relieve the Vendee from the obligation which the Vendee hereby undertakes to enforce the Lease in accordance with its terms for the benefit of the Manufacturer upon the written request of the Manufacturer and the undertaking of the Manufacturer to indemnify the Vendee for all cost and expense in connection therewith.

SECTION 15. DEFAULTS.

15.1. In the event that any one or more of the following events of default shall occur and be continuing, to-wit:

(a) The Vendee or the Guarantor shall fail to pay in full any sum payable by the Vendee or the Guarantor, respectively, when payment thereof shall be due hereunder and such default shall continue for five days; or

(b) The Vendee or the Guarantor shall fail or refuse to comply with any covenant, agreement, term or provision of this Agreement on its part to be kept and performed or to make provision satisfactory to the Manufacturer for such compliance for more than 30 days after written notice from the Manufacturer specifying the default and demanding the same to be remedied; or

(c) The Vendee or Guarantor becomes insolvent or bankrupt or admits in writing its inability to pay its debts as they may mature, or makes an assignment for the benefit of creditors or applies for or consents to the appointment of a trustee or receiver for the Vendee or Guarantor or for the major part of its property, or the Vendee or Guarantor shall make any voluntary assignment or transfer of the Vendee's or Guarantor's interest as Vendee or Guarantor, respectively, hereunder in a manner or to a person not permitted by the terms hereof;

(d) A trustee or receiver is appointed for the Vendee or the Guarantor, or for the major part of the Vendee's or Guarantor's property, respectively, and is not discharged within ~~60~~ 90 days after such appointment;

(e) Bankruptcy, reorganization, arrangements, insolvency or liquidation proceedings, or other proceedings for relief under any bankruptcy law or similar law for the relief of debtors, are instituted by or against the Vendee or the Guarantor, and if instituted against the Vendee or the Guarantor are allowed against the Vendee or the Guarantor or are consented to or are not dismissed within 90 days after such institution;

then at any time after the occurrence and during the continuance of such an event of default the Manufacturer may, upon written notice to the Vendee and the Guarantor and upon compliance with any legal requirements then in force and applicable to such action by the Manufacturer, but without prejudice to any rights of the Vendee under the Lease with respect to any default thereunder, cause the Lease immediately upon such notice to terminate as to the Equipment and/or declare the entire indebtedness in respect of the purchase price of the Equipment, together with the interest thereon then accrued and unpaid, immediately due and payable, without further demand, and thereafter the aggregate of the unpaid balance of such indebtedness and interest shall bear interest from the date of such declaration at the rate of 10% per annum, to the extent legally enforceable, and the Manufacturer shall thereupon be entitled, subject to the provisions and limitations of Section 14 hereof, to recover judgment for the entire unpaid balance of the indebtedness in respect of the purchase price of the Equipment so payable, with interest as aforesaid, and to collect such judgment out of any property of the Guarantor wherever situated or out of property of the Vendee subject to the provisions and limitations of Section 14 hereof.

15.2. The Manufacturer may waive any such event of default and its consequences and rescind and annul any such declaration by notice to the Vendee and the Guarantor in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such default had existed and no such declaration had been made. With respect to any termination of the Lease by the Manufacturer, the aforesaid waiver, rescission and annulment shall be deemed made, and the Lease shall be deemed not to have been terminated, if the Vendee within 30 days after receiving written notice thereof as aforesaid, shall elect in writing to cure such default. Notwithstanding the provisions of this paragraph, it is expressly understood and agreed by the Vendee and the Guarantor that time is of the essence of this Agreement and that no such waiver, rescission or annulment shall extend to or affect any other or subsequent default or impair any rights or remedies consequent thereon.

15.3. Any default hereunder shall be deemed cured and not continuing if the Vendee, prior to any sale by the Manufacturer of the Equipment as provided in Section 16.3, shall pay or cause to be paid to the Manufacturer the total unpaid balance of the indebtedness in respect of the purchase price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement.

SECTION 16. REMEDIES.

16.1. If an event of default shall have occurred and be continuing as hereinbefore provided, then at any time after the entire indebtedness in respect of the purchase price of the Equipment shall have been declared immediately due and payable as hereinbefore provided and during the continuance of such default, the Manufacturer may, upon such further notice, if any, as may be required for compliance with any mandatory requirements of law then in force and applicable to the action to be taken by the Manufacturer, take or cause to be taken by its agent or agents immediate possession of the Equipment, or any Item thereof, without liability to return to the Vendee or the Guarantor any sums theretofore paid and free from all claims whatsoever, except as hereinafter in this Section 16 expressly provided, and may remove the same from possession and use of the Vendee and the Guarantor and for such purpose may enter upon the premises of the Vendee or the Guarantor or where the Equipment may be located and may use and employ in connection with such removal any supplies, services and aids and any available trackage and other facilities or means of the Vendee or the Guarantor, with or without process of law.

16.2. In case the Manufacturer shall rightfully demand possession of the Equipment in pursuance of this Agreement and shall reasonably designate a point or points upon the lines of the Guarantor for the delivery of the Equipment to the Manufacturer, the Guarantor, shall at its own expense, forthwith and in the usual manner, cause the Equipment to be moved to such point or points as shall be reasonably designated by the Manufacturer and shall there deliver the Equipment or cause it to be delivered to the Manufacturer; and, at the option of the Manufacturer, the Manufacturer may keep the Equipment on any of the lines of railroad or premises of the Guarantor, for a period not exceeding 180 days, until the Manufacturer shall have leased, sold or otherwise disposed of the same, and for such purpose the Guarantor agrees to furnish, without charge for rent or storage, the necessary facilities at any point or points selected by the Manufacturer reasonably convenient. The agreement to deliver the Equipment as hereinbefore provided is of the essence of this Agreement between the parties, and, upon application to any court of equity having jurisdiction in the premises, the Manufacturer shall be entitled to a decree against the Vendee or the Guarantor requiring specific performance hereof. The Trustee and the Guarantor hereby expressly waive any and all claims against the Manufacturer and its agent or agents for damages of whatever nature in connection with any retaking of any Item of Equipment in any reasonable manner.

16.3. If an event of default shall have occurred and be continuing as hereinbefore provided, then at any time thereafter during the continuance of such default and after the entire indebtedness in respect of the purchase price of the Equipment shall have been declared immediately due and payable as hereinbefore provided, the Manufacturer (after retaking possession of the Equipment as hereinbefore in this Section provided) may at its election, upon written notice to the Vendee and Trustor as hereinafter provided, retain the Equipment as its own and make such disposition thereof as the Manufacturer shall deem fit, and in such event all rights of the Vendee in the Equipment will thereupon terminate and all payments made by the Vendee or the Guarantor may be retained by the Manufacturer as compensation for the use of the Equipment by the Vendee; or the Manufacturer with or without the retaking of possession thereof may, at its election, sell the Equipment, or any Item thereof, free from any and all claims of the Vendee, or of any other party (including the Guarantor) claiming by, through or under the Vendee, at law or in equity, at public or private sale and with or without advertisement as the Manufacturer may determine; and the proceeds of such sale, less the attorneys' fees and any other expenses incurred by the Manufacturer in taking possession of, removing, storing and

selling the Equipment, shall be credited to the amount due to the Manufacturer under the provisions of this Agreement; provided, however, that if the Vendee, within 45 days of receipt of notice of the Manufacturer's election to retain the Equipment for its own use, as herein provided, or prior to any sale by the Manufacturer of the Equipment, as herein provided, shall pay or cause to be paid to the Manufacturer the total unpaid balance of the indebtedness in respect of the purchase price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Vendee. Written notice of the Manufacturer's election to retain the Equipment for its own use may be given to the Vendee and Trustor by mail addressed to the Vendee as provided herein, at any time during a period of 30 days after the indebtedness in respect of the purchase price of the Equipment shall have been declared immediately due and payable as hereinbefore provided; and if no such notice shall have been given, within such 30 day period, the Manufacturer shall be deemed to have elected to sell the Equipment in accordance with the provisions of this Section.

16.4. Any sale hereunder may be held or conducted at such place or places and at such time or times as the Manufacturer may specify, in one lot and as an entirety, or in separate lots and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Manufacturer may determine, provided that the Vendee, the Trustor and the Guarantor shall be given written notice of such sale not less than ten days prior thereto, by mail addressed as provided herein. If such sale shall be a private sale, it shall be subject to the rights of the Vendee, the Trustor and the Guarantor to purchase or provide a purchaser, within ten days after notice of the proposed sale price, at the same price offered by the intending purchaser or a better price. The Manufacturer may bid for and become the purchaser of the Equipment, or any Item thereof, so offered for sale without accountability to the Vendee (except to the extent of surplus money received as hereinafter provided in this Section), and in payment of the purchase price therefor the Manufacturer shall be entitled to have credited on account thereof all sums due to the Manufacturer from the Vendee hereunder.

16.5. Each and every power and remedy hereby specifically given to the Manufacturer shall be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such

order as may be deemed expedient by the Manufacturer. All such powers and remedies shall be cumulative, and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Manufacturer in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder shall impair any such power or remedy or shall be construed to be a waiver of any default or an acquiescence therein.

16.6. All sums of money realized by the Manufacturer under the remedies herein provided shall be applied, first to the payment of the expenses and liabilities of the Manufacturer herein undertaken to be paid, second to the payment of interest on the indebtedness in respect of the purchase price of the Equipment accrued and unpaid and third to the payment of the indebtedness in respect of the purchase price of the Equipment. If, after applying as aforesaid all sums of money realized by the Manufacturer, there shall remain any amount due to it under the provisions of this Agreement, the Manufacturer may bring suit therefor and shall be entitled to recover a judgment therefor against the Vendee, subject to the provisions of Section 14 hereof. If, after applying as aforesaid all sums realized by the Manufacturer, there shall remain a surplus in the possession of the Manufacturer, such surplus shall be paid to the Vendee.

16.7. The Vendee, subject to the provisions of Section 14 hereof, will pay all reasonable expenses, including attorneys' fees, incurred by the Manufacturer in enforcing its remedies under the terms of this Agreement. In the event that the Manufacturer shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Manufacturer may recover reasonable expenses, including attorneys' fees and the amount thereof shall be included in such judgment.

16.8. The foregoing provisions of this Section are subject in all respects to all mandatory requirements of law at the time in force and applicable thereto.

SECTION 17. APPLICABLE STATE LAWS.

17.1. Any provision of this Agreement prohibited by any applicable law of any state, or which by any applicable law of any state would convert this Agreement into any instrument other than an agreement of conditional sale, shall as to such state be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any applicable state law may be waived, they are hereby waived by the Vendee to the full extent permitted by law, to the end that this Agreement shall be deemed to be a conditional sale and enforced as such.

17.2. Except as otherwise provided in this Agreement, the Vendee, to the full extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of or to sell the Equipment, or any Item thereof, and any other requirements as to the time, place and terms of sale thereof, and other requirements with respect to the enforcement of the Manufacturer's rights hereunder and any and all rights of redemption.

17.3. Nothing in this Section 17 or any other provision of this Agreement shall be deemed to make ineffective, or to modify or waive, the provisions and limitations of Section 14 hereof.

SECTION 18. EXTENSION NOT A WAIVER.

No delay or omission in the exercise of any power or remedy herein provided or otherwise available to the Manufacturer shall impair or affect the Manufacturer's right thereafter to exercise the same. Any extension of time for payment hereunder or other indulgence duly granted to the Vendee shall not otherwise alter or affect the Manufacturer's rights or the obligations of the Vendee or the Guarantor hereunder. The Manufacturer's acceptance of any payment after it shall have become due hereunder shall not be deemed to alter or affect the Vendee's obligations or the Manufacturer's rights hereunder with respect to any subsequent payments or defaults therein.

SECTION 19. RECORDING.

The Guarantor will cause this Agreement, the first assignment hereof and any supplements hereto and thereto to be filed, recorded or deposited and refiled, re-recorded or redeposited, if necessary, with the Interstate Commerce Commission, and otherwise as may be required by law or reasonably requested by the Manufacturer for the purpose of proper protection, to the satisfaction of counsel for the Manufacturer of its security title to the Equipment and its rights under this Agreement or for the purpose of carrying out the intention of this Agreement; and the Guarantor will promptly furnish to the Manufacturer certificates or other evidences of such filing, recording or depositing, and an opinion or opinions of counsel for the Guarantor with respect thereto, satisfactory to the Manufacturer.

SECTION 20. NOTICE.

Any notice hereunder to any of the parties designated below shall be deemed to be properly served if delivered or mailed to it at its chief place of business at the following specified addresses:

(a) to the Vendee: Exchange National Bank of Chicago, 130 South LaSalle Street, Chicago, Illinois 60690, Attention: Harold Z. Novak, Senior Vice President and Trust Officer; with a copy of any such notice to Commercial Credit Capital Corporation, 301 North Charles Street, Baltimore, Maryland 21202, Attention: President,

(b) to the Guarantor: North American Car Corporation, 222 South Riverside Plaza, Chicago, Illinois 60606, Attention: Vice President - Finance,

(c) to General Electric: General Electric Company, 2901 East Lake Road, Erie, Pennsylvania 16501, Attention: Locomotive Products Department,

(d) to any assignee of the Manufacturer, or of the Vendee, at such address as may have been furnished in writing to the Vendee or the Manufacturer, as the case may be, and to the Guarantor, by such assignee,

or at such other address as may have been furnished in writing by such party to the other parties to this Agreement.

SECTION 21. HEADINGS.

All section headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

SECTION 22. EFFECT AND MODIFICATION OF AGREEMENTS.

This Agreement and the Schedule relating hereto, together with the Lease and the Acquisition Agreement, exclusively and completely state the rights and agreements of the Manufacturer, the Vendee and the Guarantor with respect to the Equipment and supersede all other agreements, oral or written, with respect to the Equipment. No variation of this Agreement and no waiver of any of its provisions or conditions shall be valid unless in writing

and duly executed on behalf of the Manufacturer, the Vendee and the Guarantor. Without the prior written consent of the Manufacturer the Vendee will not consent to any amendment, modification, waiver or supplement to the Lease or, except in accordance with Section 14 thereof, cancel or terminate the Lease prior to the payment in full of the indebtedness in respect of the purchase price of the Equipment together with interest thereon.

SECTION 23. LAW GOVERNING.

The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the State of Illinois; provided, however, that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act and such additional rights arising out of the filing, recording or depositing hereof and of any assignment hereof as shall be conferred by the laws of the several jurisdictions in which this Agreement or any assignment hereof shall be filed, recorded or deposited.

SECTION 24. DEFINITIONS.

The term "Manufacturer", whenever used in this Agreement, means, before any assignment of its rights hereunder, General Electric, and any successor or successors for the time being to the manufacturing properties and business of General Electric, and, after any such assignment, any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also any assignor as regards any rights hereunder that are retained and excluded from any assignment.

SECTION 25. ASSIGNMENT OF LEASE.

As contemplated by the preamble hereto and the provisions of Section 9 hereof, to further secure the payment of the full amount of the indebtedness in respect to the purchase price of the Equipment, together with interest thereon, and all other payments as herein provided and for the performance of the Vendee's obligations herein contained, the Vendee hereby assigns, transfers and sets over unto the Manufacturer, and grants a security interest in, all the Vendee's right, title and interest, as Lessor under the Lease, together with al rights, powers and privileges, and all other benefits of the Vendee as Lessor under the Lease, insofar as the same cover or relate to the Equipment built by the Manufacturer including, without limitation, except as hereinafter provided, the immediate right to receive and

collect all rentals and profits and other sums payable to or receivabl by the Vendee under or pursuant to the provisions of the Lease insofar as the same cover or relate to said Equipment, 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 under the Lease and to do any and all other things whatsoever which the Vendee, as Lessor, is or may become entitled to do under the Lease with respect to said Equipment. In furtherance of the foregoing assignment, the Vendee hereby irrevocably authorizes and empowers the Manufacturer, in its own name, or in the name of its nominee, or in the name of the Vendee, or as its attorneys, to ask, demand, sue for, collect and receive any and all sums to which the Vendee is or may become entitled under the Lease in respect of the Equipment built by the Manufacturer, and to enforce compliance by the Lessee with all the terms and provisions of the Lease with respect to said Equipment. The Vendee further agrees to notify promptly the Manufacturer of any Event of Default under the Lease of which it has notice. This assignment being made only as security shall not subject the Manufacturer to, or transfer, or pass, or in any way affect or modify, the liability of the Vendee under the Lease, it being understood and agreed that notwithstanding this assignment, or any subsequent assignment, all obligations of the Vendee to the Lessee under the Lease, shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Vendee. Further, the Vendee covenants and agrees that it will perform all its obligations to be performed under the terms of the Lease, and hereby irrevocably authorizes and empowers the Manufacturer, in its own name, or in the name of its nominee, or in the name of the Vendee, as its attorney, on the happening of any failure by the Vendee to perform or cause to be performed, any such obligation. Upon the full discharge and satisfaction of the full amount of the indebtedness in respect of the purchase price of the Equipment, together with interest thereon, and all other payments as herein provided and the performance of all of the Vendee's obligations herein contained, the assignment made hereby and all rights herein assigned to the Manufacturer shall cease and terminate, and all estate, right, security title and interest of the Vendee in and to the Lease shall revert to the Vendee.

SECTION 26. EXECUTION.

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original

counterpart. Although this Agreement is dated for convenience as of the date first above written, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

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

GENERAL ELECTRIC COMPANY

By _____
Its MANAGER - MARKETING

(Corporate Seal)

Attest:

_____
ATTESTING Secretary

EXCHANGE NATIONAL BANK, as Trustee under a Trust Agreement dated as of October 15, 1973

By _____
Its Senior Vice President

(Corporate Seal)

Attest:

_____
Assistant Trust Officer

NORTH AMERICAN CAR CORPORATION

By _____
Its Ex V P Operations

(Corporate Seal)

Attest:

_____
Secretary

COMMONWEALTH OF PENNSYLVANIA)
) SS
COUNTY OF ERIE)

On this 12th day of November, 1973, before me personally appeared J. T. HUGHES, to me personally known, who, being by me duly sworn, says that he is a ATTRSTING Secretary of General Electric Company, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Margaret M. Frew
Notary Public

MARGARET M. FREW, Notary Public
Erie, Erie Co., Pa.
My Commission Expires June 7, 1976

(Seal)

My Commission Expires:

STATE OF MARYLAND)
) SS
COUNTY OF _____)

On this 13 day of NOVEMBER, 1973, before me personally appeared HAROLD Z. NOVAK, to me personally known, who being by me duly sworn, says that he is a Senior Vice President of EXCHANGE NATIONAL BANK, 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.

Kathleen M. Nugent
Notary Public

(Seal)

My Commission Expires:
Oct. 1, 1976

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this 13th day of November 1973, before me personally appeared Robert B. Oppenheim to me personally known, who being by me duly sworn, says that he is a V.P.-Operations of NORTH AMERICAN CAR CORPORATION, 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.

Thomas J. Kelly
Notary Public

(Seal)

My Commission Expires: 4/11/76

SCHEDULE A
(to Conditional Sale Agreement)

MANUFACTURER:	General Electric Company
PLANT OF MANUFACTURER:	Erie, Pennsylvania
DESCRIPTION OF EQUIPMENT:	Eighteen 3000 H.P. Model U30C Diesel Electric Locomotives, Road Numbers 4582 to 4599 both inclusive
BASE PRICE:	$326,345 per Item ($5,874,220 for eighteen Items).
DELIVER TO:	Chicago, Rock Island and Pacific Railroad Company
PLACE OF DELIVERY:	Erie, Pennsylvania
ESTIMATED DELIVERY DATES:	October - December, 1973
OUTSIDE DELIVERY DATE:	December 24, 1973

Lessee: North American Car Corporation

Assignee of Manufacturer: The First Pennsylvania Banking & Trust Company