railgon T.M.
The nationwide gondola pool

RAILGON COMPANY
101 NORTH WACKER DRIVE
CHICAGO, ILLINOIS 60606
(312) 853-3223

1 5413
RECORDATION NO. _____ Filed 1425

DEC 15 1987 -3 10 PM
INTERSTATE COMMERCE COMMISSION

7-349A070

December 14, 1987

No. _____
Date DEC 15 1987
Fee $ 20.00
ICC Washington, D.C.

Honorable Noreta R. McGee
Secretary
Interstate Commerce Commission
12th & Constitutional Avenue, NW
Room 2215 - Recordation Dept.
Washington, DC 20423

RECORDATION NO. 1 5413-A Filed 1425
DEC 15 1987 -3 10 PM
INTERSTATE COMMERCE COMMISSION

$20.00 total fee - (filing fee $10 cross index fee $10)

Dear Ms. McGee:

On behalf of the Denver and Rio Grande Western Railroad Company ("DRGW"), I submit for filing and recording, under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder, two enclosed executed originals of each of the following primary documents:

New Number → 1. "Lease of Railroad Equipment."

-A → 2. "Assignment of Leases."

The parties to these transactions are as follows:

Denver and Rio Grande Western Railroad Co. (Lessee)
1515 Arapahoe Street - P. O. Box 5482
Denver, Colorado 80217-1515

The Connecticut Bank and Trust Company
National Association - as Trustee (Assignor)
for Owner, and as Lessor
One Constitution Plaza
Hartford, Connecticut 06115

Mercantile-Safe Deposit and Trust
Company - as Agent (Assignee)
Two Hopkins Plaza
Baltimore, Maryland 21201

Counterpart - Attorney

DEC 15 3 07 PM '87
MOTOR OPERATIONS UNIT

The equipment covered by the enclosed documents is as set forth below:

Car Type	AAR Mechanical Designation	No. of Units	Reporting Marks	Car Numbers
52'6" 100-ton gondola car	GB	300	GONX	See Attached Schedule A

See Next Page for Cross Index Request

Please cross-index this filing under the name Railgon Company.

Enclosed is a check in the amount of $20, $10 to pay the recording fee for the instant documents, and $10 to cover the requested cross-indexing fee.

A short summary of the documents to appear in the Index is as follows:

"Lease and Assignment of Lease dated as of December 15, 1987, relating to 300 gondola cars."

Once the filing has been made, please keep one set for your files and return to bearer the other stamped original, together with the fee receipt, the letter from the ICC acknowledging the filing, and the four extra copies of this letter of transmittal.

Very truly yours,

Thomas D. Marion

Thomas D. Marion
Agent for the Denver and Rio Grande
Western Railroad Company

TDM:kkb

Enclosures

-A

RECORDATION NO. 1 5413 -A

DEC 15 1987 3 10 PM

INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF LEASES dated as of December 15, 1987 ("Assignment"), by and between THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, not in its individual capacity but solely as Trustees (hereinafter collectively, together with its successors and assigns, called the "Trustee") acting under three separate Trust Agreements dated as of July 1, 1980, October 1, 1980 and February 1, 1981, respectively, as amended (collectively, the "Trust Agreement"), with GENERAL ELECTRIC CREDIT CORPORATION ("Owner") and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, not in its individual capacity but solely as agents (collectively, the "Agent") for certain institutional investors ("Investors") under three separate Participation Agreements dated as of July 1, 1980, October 1, 1980 and February 1, 1981, respectively, as amended (collectively, the "Participation Agreement").

WHEREAS, the Trustee entered into three separate Conditional Sale Agreements dated as of July 1, 1980, October 1, 1980 and February 1, 1981, respectively, as amended (individually, a "CSA" and collectively, the "CSAs") with the manufacturers specified in Item 1 of Annex A to each CSA ("Builders"), whereby the Trustee purchased certain units of railroad equipment on behalf of the Owner ("Original Units") described in the Annex B thereto, and the CSAs were assigned to the Agent by the Builders;

WHEREAS, all of the Original Units had been leased by the Trustee to Railgon Company ("Railgon") pursuant to three separate Leases of Railroad Equipment dated July 1, 1980, October 1, 1980 and February 1, 1981, respectively, as amended (the "Railgon Leases");

WHEREAS, the Trustee has leased (i) certain of such Original Units to the Denver and Rio Grande Western Railroad Company (the "Denver and Rio Grande Western Lessee") pursuant to a Lease of Railroad Equipment dated as of December 15, 1987 (hereinafter, together with all amendments and supplements thereto, being called the "Denver and Rio Grande Western Lease") and (ii) certain other Original Units to the Chicago and North Western Transportation Company (the "Chicago and North Western Lessee") pursuant to a Lease of Railroad Equipment dated as of December 15, 1987 (hereinafter, together with all amendments and supplements thereto, being called the "Chicago and North Western Lease"), such Original Units leased to the Denver and Rio Grande Western Lessee and such Original Units leased to the Chicago and North Western Lessee hereinafter being called, collectively, the "Units";

WHEREAS, in order to provide further security for the obligations of the Trustee under the CSAs, the Trustee has agreed to assign for security purposes pursuant to this Assignment its rights in, to and under the Denver and Rio Grande Western Lease and the Chicago and North Western Lease to the Agent.

NOW, THEREFORE, in consideration of the payments to be made, the parties hereto agree as follows:

1. Subject to the provisions of Paragraph 10 hereof, the Trustee hereby assigns, transfers and sets over unto the Agent, as collateral security for the payment and performance of the Trustee's obligations in respect of the Denver and Rio Grande Western CSA Indebtedness and the Chicago and North Western CSA Indebtedness under each of the CSAs, all the Trustee's right, title and interest, powers, privileges, and other benefits under the Denver and Rio Grande Western Lease and the Chicago and North Western Lease (including those inuring to the benefit of the Owner and the Owner's assigns by reason of § 12 of the Denver and Rio Grande Western Lease and the Chicago and North Western Lease), including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Trustee under or pursuant to the provisions of the Denver and Rio Grande Western Lease and the Chicago and North Western Lease whether as rent, casualty payment, indemnity (except sums that by the express terms of the Denver and Rio Grande Western Lease and the Chicago and North Western Lease are payable directly to the Owner or the Trustee pursuant to §§ 6, 9 and 17 of the Denver and Rio Grande Western Lease and the Chicago and North Western Lease), liquidated damages, payment in respect of purchase option or otherwise (such moneys being hereinafter called "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 Denver and Rio Grande Western Lease or the Chicago and North Western Lease and to do any and all other things whatsoever that the Trustee is or may become entitled to do under the Denver and Rio Grande Western Lease or the Chicago and North Western Lease. In furtherance of the foregoing assignment, the Trustee hereby irrevocably authorizes and empowers the Agent in its own name, or in the name of its nominee, or in the name of the Trustee or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Trustee is or may become entitled under the Denver and Rio Grande Western Lease or the Chicago and North Western Lease and to enforce compliance by the Denver and Rio Grande Western Lessee or the Chicago and

North Western Lessee, as the case may be, with all the terms and provisions thereof.

The Agent agrees to accept any Payments made by the Denver and Rio Grande Western Lessee or the Chicago and North Western Lessee for the account of the Trustee pursuant to the Denver and Rio Grande Western Lease or the Chicago and North Western Lease, as the case may be, and, to the extent received, the Agent will apply such Payments to satisfy the obligations of the Trustee under the CSAs then due and payable in respect of the Denver and Rio Grande Western CSA Indebtedness or the Chicago and North Western CSA Indebtedness, as the case may be, subject to the limitations contained in the last paragraph of Article 4 of the CSAs, and any balance held by the Agent hereunder for the account of the Trustee shall be deemed to be held in trust for the Trustee and shall be paid immediately to and retained by the Trustee. If the Agent shall not receive any rental payment under the first paragraph of § 3 of the Denver and Rio Grande Western Lease or the Chicago and North Western Lease or any payment of Casualty Values under § 7 of the Denver and Rio Grande Western Lease or the Chicago and North Western Lease when due, the Agent shall promptly notify the Trustee by telegraphic communication at the address set forth in the Denver and Rio Grande Western Lease or the Chicago and North Western Lease, as the case may be. Failure to so notify the Trustee shall not affect the rights and remedies of the Agent hereunder or under the CSAs; except that the Agent may not declare an event of default under subparagraph (a) or (f) of Article 15 of the CSAs arising solely by reason of the failure of the Denver and Rio Grande Western Lessee or the Chicago and North Western Lessee, as the case may be, to make any such rental payment that, pursuant to subparagraph (f) of Article 15 of the CSAs, would not constitute an event of default thereunder if the Trustee complies with the provisions thereof, unless such event of default is not remedied within 5 days after notification is given as aforesaid.

2. This Assignment is executed only as security for the obligations of the Trustee under the CSAs in respect of the Denver and Rio Grande Western CSA Indebtedness and the Chicago and North Western CSA Indebtedness and, therefore, the execution and delivery of this Assignment shall not subject the Agent to, or transfer, or pass, or in any way affect or modify the liability of the Trustee under, the Denver and Rio Grande Western Lease and the Chicago and North Western Lease, it being agreed that, notwithstanding this Assignment or any subsequent assignment, all obligations of the Trustee to the Denver and Rio Grande Western

Lessee and the Chicago and North Western Lessee shall be and remain enforceable by the Denver and Rio Grande Western Lessee and the Chicago and North Western Lessee, and their successors and assigns, against, and only against, the Trustee or persons other than the Agent.

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

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

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

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

4. Subject to the provisions of Paragraph 10 hereof, the Trustee does hereby constitute the Agent the Trustee's true and lawful attorney, irrevocably, with full power (in the name of the Trustee, or otherwise), to ask, require, demand, receive, compound and give acquittance for any and all Payments due and to become due under or arising out of the Denver and Rio Grande Western Lease or the Chicago and North Western Lease to which the Trustee is or may become entitled, to enforce compliance by the Denver and Rio Grande Western Lessee or the Chicago and North Western Lessee with all the terms and provisions of the Denver and Rio Grande Western Lease or the Chicago and North Western Lease, as the case may be, 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 that the Agent may deem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all the Trustee's obligations under the CSAs in respect of the Denver and Rio Grande Western CSA Indebtedness, this Assignment and Rights herein assigned to the Agent in respect thereof shall terminate in respect of the Trustee's obligations under the CSAs in respect of the Denver and Rio Grande Western CSA Indebtedness, and all estate, right, title and interest of the Agent in and to the Denver and Rio Grande Western Lease shall revert to the Trustee without further act or deed, but the Agent shall execute and deliver such documents as the Trustee may reasonably request in order to confirm or make clear upon public records such termination and/or reversion. Upon the full discharge and satisfaction of all the Trustee's obligations under the CSAs in respect of the Chicago and North Western CSA Indebtedness, this Assignment and the rights herein assigned to the Agent in respect thereof shall terminate in respect of the Trustee's obligations under the CSAs in respect of the Chicago and North Western CSA Indebtedness, and all estate, right, title and interest of the Agent in and to the Chicago and North Western Lease shall revert to the Trustee without further act or deed, but the Agent shall execute and deliver such documents as the Trustee may reasonably request in order to confirm or make clear upon public records such terminaton and/or reversion.

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

7. The Agent may assign all or any of the rights assigned to it hereby or arising under the Denver and Rio Grande Western Lease or the Chicago and North Western Lease, including, without limitation, the right to receive any Payments due or to become due. The Agent will give written notice to the Trustee and the Denver and Rio Grande Western Lessee or the Chicago and North Western Lessee, as the case may be, of any such assignment.

8. This Assignment shall be governed by the laws of the State of New York, but the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

9. The Trustee shall cause copies of all notices received in connection with the Denver and Rio Grande Western Lease or the Chicago and North Western Lease and all payments hereunder to be promptly delivered or made to the Agent at its address set forth in Article 20 of the CSAs, or at such other address as the Agent shall designate.

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

the Agent, terminate the Denver and Rio Grande Western Lease or the Chicago and North Western Lease or otherwise exercise or enforce, or seek to exercise or enforce, any rights, powers, privileges and remedies arising out of subparagraph (b) of said § 10.

11. No recourse shall be had in respect of any obligation due under this Assignment, or referred to herein, against any incorporator, stockholder, director or officer, as such, past, present or future, of the Trustee, the Agent, the Investors, or the Owner, whether by virtue of any constitutional provision, statute or rule of law or by enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitutional provision, statute or otherwise, of incorporators, stockholders, directors or officers, as such, being forever released as a condition of and as a consideration for the execution of this Assignment.

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

IN WITNESS WHEREOF, the parties 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.

[Seal]

THE CONNECTICUT BANK AND TRUST COMPANY, not in its individual capacity, but solely as Trustee.

By: _____

Attest:

_____

[Seal]

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, not in its individual capacity, but solely as Agent.

By: _____

Attest:

_____

IN WITNESS WHEREOF, the parties 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.

[Seal]

THE CONNECTICUT BANK AND TRUST COMPANY, not in its individual capacity, but solely as Trustee.

By: _____

Attest:

_____

[Seal]

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, not in its individual capacity, but solely as Agent.

By: _____
VICE PRESIDENT

Attest:

_____
CORPORATE TRUST OFFICER

STATE OF CONNECTICUT)
) ss.:
COUNTY OF HARTFORD)

On this 16th day of December, 1987, before me personally appeared DONALD E. SMITH, to me personally known, who, being by me duly sworn, says that he is the VICE PRESIDENT of The Connecticut Bank and Trust Company, National Association, one of the corporations described in and which executed the foregoing instrument, that said instrument was signed 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.

Dawn Piccoli Heintz
Notary Public

[Notarial Seal]

My Commission Expires:

DAWN PICCOLI HEINTZ
NOTARY PUBLIC
MY COMMISSION EXPIRES MARCH 31, 1992

STATE OF MARYLAND)
) ss.:
COUNTY OF BALTIMORE)

On this 9th day of December, 1987, before me personally appeared R. E. Schreiber, to me personally known, who being by me duly sworn, says that he is the VICE PRESIDENT of Mercantile-Safe Deposit and Trust Company, National Association, one of the corporations described in and which executed the foregoing instrument, that said instrument was signed 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.

Patricia A. Conn
Notary Public

[Notarial Seal]

My Commission Expires:
7-1-90