

2550 Golf Road
Rolling Meadows, IL 60008

NSW No. _____

Telephone: 312/640-7000

EVANS / **EVANS RAILCAR**
PRODUCTS COMPANY **LEASING COMPANY**
DIVISION

5-018A014

January 7, 1985

JAN 18 1985

Date _____

REGISTRATION NO. 14550 FILED 1985

Fee \$ 10.00

Secretary
Interstate Commerce Commission
Washington D.C.

JAN 18 1985 - 11 55 PM

ICC Washington, D.C.

INTERSTATE COMMERCE COMMISSION

Dear Secretary:

Pursuant to 49 U.S.C. §11303 and the rules and regulations thereunder, as amended, we hand you for filing one fully executed and four conformed copies of a Lease dated as of October 15, 1984. The parties to the Lease are:

Lessor: Evans Railcar Leasing Company
The East Tower, #1000
2550 Golf Road
Rolling Meadows, IL 60008

Lessee: Grand Trunk Western Railroad Company
131 West Lafayette Boulevard
Detroit, Michigan 48226

ICC OFFICE OF THE SECRETARY
JAN 18 12 47 PM '85
MOTOR OPERATING UNIT

A description of the equipment covered by the Lease is attached hereto as Exhibit A.

Enclosed herewith is a check in the amount of \$10.00 in payment of the applicable recording fees.

Since these documents are being delivered to you by hand, we would appreciate it if you would return to the bearer the duly stamped counterparts of the Lease not required to be kept by you, or, if that is not possible, please send them to Mr. Gerald E. Beatty, Rosenthal and Schanfield, 55 East Monroe, #4620, Chicago, Illinois 60603.

Very truly yours,

EVANS RAILCAR LEASING COMPANY

BY: [Signature]
Assistant Secretary

[Handwritten signature: C. E. Kusler]

EXHIBIT A

One hundred (100) 100-ton lift off cover coil cars
bearing reporting marks and numbers:

GTW 307050-307149

1/18/85

Interstate Commerce Commission
Washington, D.C. 20423

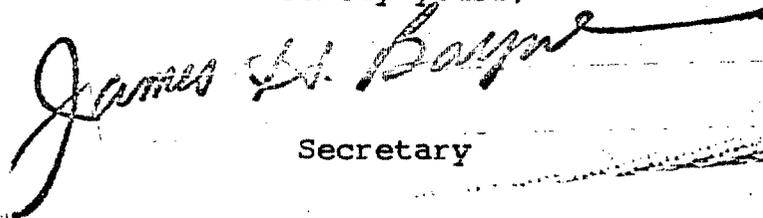
OFFICE OF THE SECRETARY

Gerald E. Beatty
Rosenthal & Schanfield)
55 East Monroe Street, Suite 4620
Chicago, Illinois 60603

Dear Sir:

The enclosed document (s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 1/18/85 at 11:55am and assigned re-
recording number (s) .5690-I & 14550, 14551

Sincerely yours,


Secretary

Enclosure(s)

JAN 18 1985 7:22 PM

EVANS RAILCAR LEASING COMPANY
RAILROAD CAR LEASE AGREEMENT INTERSTATE COMMERCE COMMISSION

AGREEMENT made and entered into this 15th day of October, 1984, between EVANS RAILCAR LEASING COMPANY, an Illinois corporation (hereinafter called "Evans") and GRAND TRUNK WESTERN RAILROAD COMPANY a Michigan corporation, with its principal place of business at 131 West Lafayette Boulevard, Detroit, Michigan 48226 (hereinafter called "Lessee").

RECITALS

Lessee desires to lease from Evans as lessor certain railroad cars, hereinafter specifically designated, all upon the rentals, terms and conditions set forth in this Railroad Car Lease Agreement and the Schedules from time to time made a part hereof (together hereinafter referred to as the "Lease").

AGREEMENT

It is agreed:

1. Lease of Cars. Evans agrees to lease to Lessee and Lessee agrees to and does hereby lease from Evans, railroad cars of the number of units, model, type, construction and such other description (hereinafter referred to as the "Cars") as is set forth in Schedule 1 attached hereto and by this reference made a part hereof and as set forth in Schedules which may from time to time be added to this Lease and thereby made a part hereof. All Schedules shall be in the form of Schedule 1 hereto, shall contain such other terms and provisions as Evans and Lessee may agree upon and shall, if requested by either party, have the signatures thereto acknowledged by a notary public. The terms and provisions of the Schedule shall control over any inconsistent or contrary terms and provisions in the body of this Lease.

2. Delivery of Cars. Evans shall deliver the Cars as promptly as is reasonably possible. Evans' obligations with respect to delivery of all or any of the Cars are hereby made expressly subject to, and Evans shall not be responsible for, failure to deliver or delays and defaults of carriers and material suppliers or Car manufacturers, acts of God, governmental acts, regulations and restrictions or any other causes, casualties or contingencies beyond Evans' control. Delivery shall be F.O.T. the point specified in the applicable Schedule. From and after delivery and acceptance of a Car, Lessee shall be liable for, and shall pay or reimburse Evans for the payment of all costs, charges and expenses of any kind whatsoever on account of or relating to switching, demurrage, detention, storage, transportation or movement of a Car, including specifically, but not exclusively, freight and switching charges for movement at any time and from time to and from repair shops, storage or terminal facilities.

3. Condition of Cars - Acceptance. All Cars delivered under this Lease shall be in satisfactory condition for movement in the normal interchange of rail traffic, shall comply with all Interchange Rules, and shall otherwise comply with the description and specifications contained in the applicable Schedule; but Lessee shall be solely responsible for determining that Cars are in proper condition for loading and shipment. Within five days after Evans shall give Lessee notice that Cars are ready for delivery, Lessee may have its authorized representative inspect such Cars at the point specified in the notice and accept or reject them as to condition. Cars so inspected and accepted and any Cars which Lessee does not elect to inspect shall upon delivery thereof to Lessee as above provided be conclusively deemed to be accepted and subject to this Lease and to meet all requirements of this Lease. At Evans' request, Lessee shall deliver to Evans an executed Certificate of Acceptance in the form of Exhibit A with respect to all Cars *accepted.*

4. Use and Possession. Throughout the continuance of this Lease so long as Lessee is not in default hereunder, Lessee shall be entitled to possession of each Car from and after delivery of such Car and shall use such Car on its own property or lines or in the usual interchange of traffic; provided, however, that Lessee agrees that the Cars shall at all times be used (i) in conformity with all Interchange Rules; (ii) in compliance with the terms and provisions of this Lease; (iii) in a careful and prudent manner, solely in the use, service and manner for which they were designed; (iv) only within the continental limits of the United States of America or in temporary or incidental use in Canada; and (v) in such service as will not constitute a train hauling predominantly a single commodity, such as coal or grain, between the same points on a regular basis, commonly referred to as a "unit train".

5. Term. This Lease shall be effective as to any Car on the date of delivery by Evans of such Car, as provided in Paragraph 2 hereof. However, the lease term with respect to all Cars covered by a particular Schedule shall be deemed to commence on the Average Date of Delivery of the Cars covered by such Schedule and shall terminate upon expiration of the period specified in such Schedule unless sooner terminated in accordance with the provisions of this Lease.

6. Rental.

Per Car. During the term of this Lease, Lessee shall pay to Evans for each Car, the monthly rental specified in the applicable Schedule. Rental shall be payable in advance for each full month after delivery. A car delivered on other than the last day of a month shall have its rental prorated for the actual number of days in the month after the day the Car is delivered, which prorated amount shall be payable with the first full month rental hereunder.

7. Payment. Lessee shall make payment of all sums due hereunder to Evans in immediately available United States funds at the address provided in Paragraph 20 hereof, or such other place as Evans may direct. Rental payments shall be made monthly in advance on or before the 1st day of each month for which such rental is due, except that the first full month's payment shall, in addition, include rental covering any prior period of less than one month.

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pet

8. Title. Lessee shall not by reason of this Lease or any action taken hereunder acquire or have any right or title in the Cars except the rights herein expressly granted to it as Lessee.

9. Repairs. Lessee shall perform or cause to be performed and shall pay all costs and expenses of all Repair Work without any abatement in rent or other loss, cost or expense to Evans. Any parts, replacements or additions made to any Car which are not readily removable without damage to the Car shall be accessions to such Car and title thereto shall immediately vest in Evans. In the event that Evans performs any Repair Work for Lessee, all sums due for such Repair Work shall be additional rental hereunder.

10. Abatement of Rent. Rental payments on any Car shall not abate if such Car is out of service for any reason whatsoever, including Repair Work.

11. Taxes. Lessee shall be liable at all times for and shall pay or reimburse Evans for payment of all Federal, State or other governmental charges or taxes (other than taxes based on Evans' income) properly assessed or levied against the Cars, including but not limited to (i) all Federal, State or other governmental property taxes assessed or levied against the Cars; (ii) all Federal, State or local sales or use taxes imposed upon or in connection with the Cars, this Lease, or the manufacture, acquisition, or use of the Cars for or under this Lease; (iii) all taxes, duties or imposts assessed or levied on the Cars or this Lease by a foreign country and/or any governmental subdivision thereof and; (iv) all taxes or governmental charges assessed or levied upon its interest as Lessee of Cars. All taxes reimbursable to Evans pursuant to this Section 11 shall be additional rental hereunder. Lessee's obligation to reimburse Evans shall not arise unless Evans shall have given notice to Lessee of the levy or charge and a reasonable opportunity to contest same.

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12. Liens. Lessee shall keep the Cars free from any and all encumbrances or liens in favor of anyone claiming by, through or under Lessee which may be a cloud upon or otherwise affect Evans' title, including, but not limited to liens or encumbrances which arise out of any suit involving Lessee, or any act or omission of Lessee or Lessee's failure to comply with the provisions of this Lease, and Lessee shall promptly discharge any such lien, encumbrance or legal process.

13. Indemnities - Patent Covenants. Lessee agrees to indemnify Evans and hold it harmless from any loss, expense or liability which Evans may suffer or incur from any charge, claim, proceeding, suit or other event which in any manner or from any cause arises in connection with the use, possession or operation of a Car while subject to this Lease, excepting only any such loss, expense or liability which arises solely from Evans' negligence. Evans agrees to indemnify Lessee and save it harmless against any charge, loss, claim, suit, expense or liability arising out of or on account of the use or incorporation by Evans upon delivery of a Car or upon the making of repairs thereto by Evans, of any invention or the infringement of any patents; except if such invention was used or incorporated by reason of Lessee's specifications. The term "Evans" shall mean and include any subsidiary, parent or affiliated corporation for all purposes of this Paragraph 13. Lessee's indemnity shall not eliminate the rights given Lessee under any manufacturer's warranty assigned to it pursuant to Paragraph 21. The indemnities and assumptions of liability herein contained shall survive the termination of this Lease. Each party shall, upon learning of same, give the other prompt notice of any claim or liability hereby indemnified against.

14. Lettering - Inventory. At Evans' election all Cars may be marked to indicate the rights of Evans, or an assignee, mortgagee, trustee, pledgee or security holder of Evans or a lessor to Evans and may bear the following inscription: "Title to this Car subject to documents recorded under Section 11303 of the Interstate Commerce Act". Except for renewal and maintenance of the aforesaid lettering, no lettering or marking shall be placed upon any of the Cars by Lessee and Lessee will not remove or change the reporting marks and numbers indicated on the applicable schedule except upon the written direction or consent of Evans. Evans may at its own cost and expense inspect the Cars from time to time wherever they may be, and Lessee shall, upon request of Evans, but no more than once every year, furnish to Evans its certified inventory of all Cars then covered by this Lease.

15. Loss, Theft or Destruction of Cars. In the event any Car is lost, stolen, destroyed or damaged beyond economic repair, Lessee shall, within five days of its knowledge thereof, by written notice, fully advise Evans of such occurrence. Except where Evans shall have received payment for such Casualty Car from a handling railroad or other party under and pursuant to Interchange Rules, Lessee shall, within 45 days after demand by Evans, promptly make payment to Evans of the current Book Value of the Car as of the date of the loss, theft or destruction, as set forth on Exhibit **B** attached hereto and made a part hereof. This Lease shall continue in full force and effect with respect to any Casualty Car irrespective of the cause, place or extent of any casualty occurrence, the risk of which shall be borne by Lessee, provided, however, that this Lease shall terminate with respect to a Casualty Car on the date Evans shall receive all amounts and things granted it on account of such Car under this Paragraph 15, and thereafter Lessee shall have no further liability to Evans under this Lease with respect thereto excepting accrued rent and liabilities arising or existing under Paragraph 11, 12, and 13 hereof.

16. Return of Cars. Upon the expiration or termination of this Lease with respect to any Car (other than pursuant to Paragraph 15 hereof), Lessee shall at its sole cost and expense forthwith surrender possession of such Car to Evans by delivering same to Evans at such ~~an~~ interchange point as Evans may designate by notice to Lessee, and which shall be reasonably acceptable to Lessee. Each Car so surrendered shall be in the same or as good condition, order and repair as when delivered to Lessee, wear and tear from ordinary use and the passage of time excepted, shall be in need of no repairs, and shall be free from all accumulations or deposits from commodities transported in or on the Cars while in the service of Lessee. Ordinary wear and tear shall include the loss of and/or damage to all hoods and crossmembers. If any of the Cars do not bear Evans' reporting marks and numbers, Lessee shall place such reporting marks and numbers on any or all of the Cars as Evans shall designate in writing to Lessee prior to the end of the lease term. Until the delivery of possession to Evans pursuant to this Paragraph 16, Lessee shall continue to be liable for and shall pay all rental at the rate being paid immediately prior to termination or expiration, and Lessee shall in addition make all other payments and keep all obligations and undertakings required of Lessee under any and all provisions of this Lease as though such termination or expiration had not occurred. If Lessee is a railroad, Lessee agrees to provide storage at its expense, upon the request of Evans, for any or all of the Cars for a period of ninety (90) days from the date of expiration or termination of this Lease. Nothing in this Paragraph 16 shall give Lessee the right to retain possession of any Car after expiration or termination of this Lease with respect to such Car.

Lessee
CCW
RT

17. Default. If (i) Lessee shall fail to make any payment required under this Lease within 20 days after same shall have become due or (ii) shall default or fail for a period of 30 days after notice from Evans of such default or failure, in the due observance or performance of any covenant, condition or agreement required to be observed or performed on its part under this Lease, or (iii) if a proceeding shall have been commenced by or against Lessee under any bankruptcy laws, Federal or State, or for the appointment of a receiver, assignee or trustee of Lessee or its property, or if Lessee shall make a general assignment for the benefit of creditors and any such proceeding shall not have been dismissed or suspended within sixty (60) days thereafter, then and in any of said events Evans may at its election:

a) terminate this Lease as of the date of such default by written notice to such effect, and retake the Cars and thereafter recover as liquidated damages for loss of a bargain and not as a penalty, any and all damages sustained by reason of Lessee's default in addition to all rental unpaid as of said date; or

b) without terminating the Lease repossess the Cars, and may relet the same or any part thereof to others upon such rental and other terms as is commercially reasonable. The proceeds of any such reletting

shall first be applied to the expenses (including reasonable attorneys' fees) of retaking and reletting of the Cars and delivery to the new lessee and then to the payment of rent due under this Lease. Lessee shall pay any deficiency remaining due after so applying the proceeds as the same shall accrue. The election by Evans to relet the Cars and the acceptance of a new lessee shall not operate to release Lessee from liability for any existing or future default in any other covenant or promise herein contained. The obligation to pay such deficiency or sum or sums due and unpaid or any damages suffered by reason of Lessee's default hereunder shall survive the termination of the Lease and the retaking of the Cars.

The remedies provided in this Paragraph 17 in favor of Evans shall not be deemed exclusive but shall, where not by rule of law inconsistent with each other, be cumulative and may be availed of singly, in combination, or all together and in any order, and shall be in addition to all other remedies in Evans' 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 any of the remedies herein provided to the extent that such waiver is permitted by law.

18. Sublease and Assignment. The right to assign this Lease by either party and the Lessee's right to sublease shall exist only as follows:

(a) Lessee shall have no right to assign or sublease or loan any of the Cars without the prior written consent of Evans, which consent shall not be unreasonably withheld; provided, however, that the Lessee shall have the right to sublease any of the Cars for single trips within the continental limits of the United States to its customers or suppliers where the sole purpose of such sublease is to obtain exemption from demurrage on the subleased Cars. Any such sublease shall be upon terms which are in compliance with all applicable Interchange Rules, tariffs, regulations and laws and all terms and conditions of this Lease;

(b) all rights of Evans under this Lease may be assigned, pledged, mortgaged, transferred or otherwise disposed of either in whole or in part without notice to or consent of Lessee; provided, however, that Lessee shall have no obligation to any such assignee until it shall have received notice of such assignment or transfer. This Lease and Lessee's rights hereunder are and shall be subject and subordinate to any lease, chattel mortgage, security agreement or equipment trust or other security instrument covering the Cars heretofore or hereafter created by Evans provided only that so long as Lessee is not in default under the Lease, Lessee shall be entitled to the peaceful and quiet possession of the Cars. In the event that Lessee receives notice that Evans has assigned its rights under this Lease with respect to any Cars, Lessee shall, if requested in writing by Evans or such assignee, make separate payment or rentals and other sums due with respect to such Cars to such place and person as Evans or such assignee shall from time to time designate. The rights of any assignee or any party on behalf of

whom such assignee is acting shall not be subject to any defense, set-off, counterclaim or recoupment whatsoever, whether arising out of any breach of any obligation of Evans under this Lease or by reason of any indebtedness or liability at any time owing by Evans to Lessee.

The making of an assignment or sublease by Lessee or an assignment by Evans shall not serve to relieve such party of any liability or undertaking under this Lease nor to impose any liability or undertaking under this Lease upon any such assignee or sublessee except as otherwise provided herein or unless expressly assumed in writing by such sublessee or assignee.

19. Opinion of Counsel. Upon the request of Evans or its assignee, Lessee will deliver to Evans an opinion of counsel for Lessee, addressed to Evans or its assignee in form and substance reasonably satisfactory to counsel for Evans or its assignee, which opinion shall be to the effect that:

(a) Lessee is a corporation duly organized and validly existing in good standing under the laws of the state of its incorporation, and has corporate power and has taken all corporate action necessary to enter into this Lease and carry out its obligations hereunder;

(b) this Lease has been duly executed on behalf of Lessee and, assuming due execution and delivery by Evans, constitutes the legal, valid and binding obligation of Lessee, enforceable in accordance with its terms;

(c) the Cars which are then subject to the Lease are held by Lessee under and subject to the provisions of this Lease prior to any lien, charge or encumbrance in favor of anyone claiming by, through or under Lessee; and

(d) no governmental, administrative or judicial authorization, permission, consent, or approval or recording is necessary on the part of Lessee in connection with this Lease or any action contemplated on its part hereunder.

20. Notice. Any notice required or permitted to be given pursuant to the terms of this Lease shall be properly given when made in writing, deposited in the United States mail, registered or certified, postage prepaid, addressed to:

Evans at: 2550 Golf Road
Rolling Meadows, Illinois 60008

or at such other addresses as Evans may from time to time designate by such notice in writing and to Lessee at the address first above written, to the attention of the Corporate Secretary, or any such other address as Lessee may from time to time designate by notice in writing.

21. Warranty. Evans agrees to assign to Lessee such rights as it may have under warranties, if any, which it may have received from the manufacturer of any Cars or parts therefor and shall at Lessee's expense cooperate with Lessee and take such action as may be reasonably requested to enable Lessee to enforce such rights. EVANS MAKES NO WARRANTY OR REPRESENTATION OF ANY KIND, EITHER EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING SPECIFICALLY BUT NOT EXCLUSIVELY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE EXTENDING BEYOND THE DESCRIPTION IN THE APPLICABLE SCHEDULE, OR THE DESIGN, WORKMANSHIP, CONDITION OR QUALITY OF THE CARS OR PARTS THEREOF WHICH CARS HAVE BEEN ACCEPTED BY LESSEE HEREUNDER; AND EVANS SHALL HAVE NO LIABILITY HEREUNDER FOR DAMAGES OF ANY KIND, INCLUDING SPECIFICALLY BUT NOT EXCLUSIVELY, SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES ON ACCOUNT OF ANY MATTER WHICH MIGHT OTHERWISE CONSTITUTE A BREACH OF WARRANTY OR REPRESENTATION. Lessee represents that all of the matters set forth in Paragraphs 19(a), (b) and (c) shall be and are true and correct at all times that any Car is subject to this Lease.

22. Governing Law - Writing. The terms of this Lease and all rights and obligations under this Lease shall be governed by the laws of the State of Illinois. The terms of this Lease and the rights and obligations of the parties hereto may not be changed or terminated orally, but only by agreement in writing signed by the party against whom enforcement of such change or termination is sought.

23. Counterparts. This Lease 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 may be evidenced by any such signed counterpart.

24. Severability - Waiver. If any term or provision of this Lease or the application thereof to any persons or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law. Failure of Evans to exercise any rights under this Lease shall not constitute a waiver of any such right upon the continuation or recurrence of the situation or contingency giving rise to such right.

25. Terminology. In construing any language contained in this Lease, no reference shall be made and no significance given to paragraph titles, such titles being used only for convenience of reference. Where the context so permits, the singular shall include the plural and vice versa.

26. Past Due Payments. Any nonpayment of rentals or other sums due under this Lease, whether during the period within which a default may be cured or for a longer period, and whether or not deemed a default or violation of this Lease, shall result in the obligation on the part of the Lessee to pay also an amount equal to eighteen per cent per annum (or if such rate may not lawfully be charged, then the highest rate which may lawfully be charged) of such overdue sum for the period of time from one week after the due date until such overdue sum is paid.

27. Definitions. For all purposes of this Lease, the following terms shall have the following meaning:

(a) "Average Date of Delivery" - that date which is determined by (i) multiplying the number of Cars delivered by Evans on each day by the number of days elapsed between such day and the date of delivery of the first Car under the applicable Schedule, and (ii) adding all of the products so obtained and dividing that sum by the total number of Cars delivered under the applicable Schedule and (iii) adding such quotient rounded out to the nearest whole number to the date of delivery of the first Car under the applicable Schedule. The date on which delivery of a Car shall be deemed to have been made will be the day following delivery of the Car to the Lessee. A Car shall be conclusively deemed delivered to the Lessee on the earliest date shown on any of the following: (i) Certificate of Acceptance or other writing accepting a Car signed by the Lessee; or (ii) a bill of lading showing delivery to Lessee at the point specified in the applicable Schedule.

(b) "Casualty Cars" - Cars which are lost, stolen, destroyed or damaged beyond economic repair.

(c) "Interchange Rules" - all codes, rules, interpretations, laws or orders governing hire, use condition, repair and all other matters pertaining to the interchange of freight traffic reasonably interpreted as being applicable to the Cars, adopted and in effect from time to time by the Association of American Railroads and any other organization, association, agency, or governmental authority, including the Interstate Commerce Commission and the United States Department of Transportation, which may from time to time be responsible for or have authority to impose such codes, rules, interpretations, laws or orders.

(d) "Repair Work" - all repairs, maintenance, modifications, additions or replacements required to keep and maintain the Cars in good working order and repair in accordance with and on the effective date of the requirements of all Interchange Rules and preventive maintenance necessary to keep and maintain the Cars in good working order and repair.

28. Benefit. Except as otherwise provided in this Lease, the covenants, conditions and agreements contained in this Lease shall bind and inure to the benefit of the parties and (to the extent permitted in Paragraph 18 hereof) their successors and assigns. Without limiting the generality of the foregoing, the indemnities of the Lessee contained in Paragraph 13 hereof shall apply to and inure to the benefit of any assignee of Evans, and if such assignee is a trustee or secured party under an indenture under which evidence of indebtedness has been issued in connection with the financing of the Cars, then also to the benefit of any holder of such evidence of indebtedness.

29. Financial Statements. Lessee agrees to furnish Lessor with audited financial statements annually within 120 days after the close of each accounting year.

30. Lessee. Shall mean and include any subsidiary, parent or affiliated corporation for all purpose of this Lease.

IN WITNESS WHEREOF, Evans and Lessee have duly executed this Railroad Car Lease Agreement as of the day and year first above written.

(CORPORATE SEAL)

ATTEST:

By: *E. S. Jontane*
Secretary

GRAND TRUNK WESTERN RAILROAD
COMPANY

By: *P. E. Jnta*
President



(CORPORATE SEAL)

ATTEST:

By: *Laurence P. Prange*
Laurence P. Prange
Assistant Secretary

EVANS RAILCAR LEASING COMPANY

By: *Curtis C. Tatham*
Curtis C. Tatham
Senior Vice President Marketing

STATE OF ILLINOIS
COUNTY OF COOK

On this 30th day of October, 1984, before me personally appeared Curtis C. Latham, to me personally known, who being by me duly sworn, says that he is President of EVANS RAILCAR LEASING COMPANY, and Laurence P. Franze personally known to me to be the Asst Secretary of said corporation, 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 they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Jeanette C. Benedetti
Notary Public

My Commission Expires July 25, 1987

STATE OF Mich.
COUNTY OF Wayne

On this 7th day of Nov., 1984, before me personally appeared P. E. Satrio, to me personally known, who being by me duly sworn, says that he is As. Vice President of Grand Trunk Western RR Company, and C. D. Fontaine personally known to me to be the Secretary of said corporation, 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 they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

J. Isabelle Matusko
Notary Public

J. ISABELLE MATUSKO
Notary Public, Oakland County, MI
My Commission Expires Feb. 17, 1987
Acting in Wayne County

EXHIBIT A

Schedule to Lease dated OCTOBER 16, 1984, 19, by and between EVANS RAILCAR LEASING COMPANY ("Evans") and ("Lessee").

CERTIFICATE OF ACCEPTANCE

_____, 19 ____

Evans Railcar Leasing Company
2550 Golf Road
Rolling Meadows, IL 60008

Gentlemen:

The undersigned, being a duly authorized representative of Lessee, hereby accepts _____ () Cars bearing numbers as follows:

for the Lessee pursuant to the Lease and certifies that each of said Cars is plainly marked in stencil on both sides of each Car with the words

EVANS RAILCAR LEASING COMPANY
OWNER AND LESSOR

Title to this Car subject to documents recorded under Section 11303 of Interstate Commerce Act

in readily visible letters not less than one inch (1") in height; and that each of said Cars conforms to, and fully complies with the terms of said Lease and is in condition satisfactory to the Lessee. If the Lessee is a railroad, Lessee hereby certifies that it is an interstate carrier by rail and that the Cars are intended for actual use and movement in interstate commerce.

Lessee

EXHIBIT **B**

Schedule 1 to Lease dated October 15, 1984, by and between EVANS RAILCAR LEASING COMPANY ("Evans") and GRAND TRUNK WESTERN RAILROAD COMPANY ("Lessee").

BOOK VALUE OF CARS AS OF THE DATE OF DESTRUCTION

<u>CASUALTY DATE</u>	<u>VALUE</u>
1985	\$22,929
1986	20,893
1987	18,856
1988	16,820
1989	14,782
1990	12,745
1991	10,709
1992	8,672
1993	6,636
1994	4,598

SCHEDULE 1

Page 1 of Schedule 1 dated October 15, 1984, to Lease dated October 15, 1984, by and between EVANS RAILCAR LEASING COMPANY ("Evans") and GRAND TRUNK WESTERN RAILROAD COMPANY ("Lessee").

TYPE AND DESCRIPTION OF CAR:

100-ton lift off cover coil cars equipped with 20" travel Hydria-Cushion underframe, four (4) crossmembers and two (2) 23'4" loading troughs

NUMBER OF CARS:

100

INTERIOR OF CARS:

None

SPECIAL LININGS:

None

PERMITTED LADING USE:

Steel coil

REPORTING MARKS AND NUMBERS:

GTW 307050-307149

SPECIFICATIONS DESIGNATED BY LESSEE:

None

INITIAL F.O.T. DELIVERY POINT:

Nearest connecting interchange point to the Grand Trunk Rail System

Page 2 of Schedule 1 dated October 15, 1984, to Lease dated October 15, 1984, by and between EVANS RAILCAR LEASING COMPANY ("Evans") and GRAND TRUNK WESTERN RAILROAD COMPANY ("Lessee").

LEASE TERM: 10 years commencing upon average date of delivery of refurbished Cars to Lessee

MONTHLY RENTAL: \$268.50 per car

SPECIAL TERMS: See reference two (2) page Addendum dated September 18, 1984 - attached

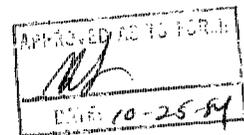
(CORPORATE SEAL)

ATTEST:

By: *E. B. Malone*
Secretary

GRAND TRUNK WESTERN RAILROAD
COMPANY

By: *P. S. Miller*
President



(CORPORATE SEAL)

ATTEST:

By: *Laurence P. Prange*
Laurence P. Prange
Assistant Secretary

EVANS RAILCAR LEASING COMPANY

By: *Curtis C. Tatham*
Curtis C. Tatham
Senior Vice President Marketing



Grand Trunk Rail System

131 West Lafayette Blvd.
Detroit, Michigan 48226

September 18, 1984

File: D-84-2
Lease of GTW 307050-
149 Coil Steel Cars
Evans Products

Mr. William M. Sheehan
Assistant Vice President-Sales
Evans Transportation Company
The East Tower, Suite 900
2550 Golf Road
Rolling Meadows, IL. 60008

SUBJECT: LOT 851 - INQUIRY CL-84047

Dear Mr. Sheehan:

The following points summarize our Agreement concerning the current lease termination, repair and consummation of a new 10 year lease on the aforementioned equipment.

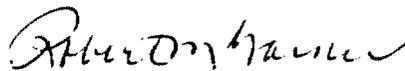
Evans ^{Transportation Company} ~~Products~~ agrees that: *CC*

1. The current lease on the above equipment will expire by car as each car is tendered to Evans at a GTW junction point for transportation to the repair site. The new lease will start as the repaired cars from the above series are tendered back to the railroad at a GTW junction point. The point of acceptance will be a GTW junction point.
2. Transportation road and switch charges from the GTW junction point to Evans' repair shop and return will be the responsibility of Evans ~~Products~~.
Transportation Company. CC
3. Upon the date of signing this Agreement, the railroad will immediately ship 5 cars of this series to Evans' repair shop location. The balance of equipment in this series will be released to the repair shop location as scheduled by Evans. Evans agrees to formally commence production and repair of this equipment no more than 60 days after signing this Letter Agreement. Out shopping of this equipment in accordance with Item 9 of this Letter Agreement will take place 75 days after your signing of this Letter Agreement.
4. With acceptance of this Agreement by Evans, GTW will sign the lease at a rate of \$268.50 per car/per month for 10 years, subject to Evans' refurbishing of the cars in accordance with the specifications shown in Exhibit A.

5. ~~The 10 year lease for this equipment is subject to GTW Board of Director approval.~~
6. All Exhibit A production, car design and repair requirements are to be met.
7. The railroad shall have the right to send inspectors into your plant during the production and repair phase of this program and to accept only those cars which such inspection shall determine to have been repaired as agreed.
8. A six-month warranty shall be required.
9. The production and repair location will be Ashland City, Tennessee, and the repair rate per day will be two (2).
10. With its acceptance of this Agreement, Evans as of lease end, accepts those coil steel cars numbered DTI 1300-1349 without any claim of any nature whatsoever for missing or damaged hoods and crossmembers.
11. Repair work is to be done in Evans shops and any or all contracting and/or subcontracting of this work is to be approved by the railroad.
12. It is understood and agreed that rental payments relating to equipment in the current lease will terminate in accordance with current lease provisions and equipment that has not been shipped to the repair facility by the lease expiration date of October 18, 1984, will in accordance with existing lease terms be subject to the storage provisions outlined therein.
13. A new lease for this equipment is subject to documentation acceptable to both parties.

If the foregoing correctly sets forth our Agreement, please so indicate by signing and returning the attached copy of this Letter Agreement.

Sincerely,



R. M. Garner, Director
Purchases and Materials

ACCEPTED AND AGREED TO THIS 21st
DAY OF September, 1984.

EVANS TRANSPORTATION COMPANY

BY: 

ITS: Senior Vice President-Marketing

EXHIBIT AGENERAL REPAIR SPECIFICATIONS FOR
GTW 307050-149, 100-TON COIL STEEL CARS

1. Finished car to comply with all applicable AAR Standards, Federal Railroad Administration Safety Regulations, and shall meet or exceed AAR Specifications for design, fabrication and construction of freight cars.
2. All requirements for rehabilitation per OT-37 must be made and cost data and specifications covering same are to be submitted to the railroad's Chief Mechanical Officer.
3. Braking ratio to meet AAR Specifications.
4. General repair work to restore the cars to operating condition suitable for continued service is to be performed.
5. Finished car to be sand blasted, painted, and stenciled, with GTW standard blue paint and all AAR required stenciling, and GT monogram.
6. ACI labels not required.
7. All wheels must be changed out that do not meet AAR Interchange Rules.
8. New hood construction to be of 14 gauge steel.
9. Four crossmembers per car required and one inspection porthole required at each end of a hood.
10. 100% of decking to be renewed utilizing oak planks.
11. 100% of keyslots to be repaired.
12. Air brake system to be reconditioned (COT and S).
13. All leaking and off center cushion units and return spring assemblies to be repaired.
14. All truck components including side frames and bolster gibs, stabilizer pockets and center plates to be repaired as required.
15. New or reconditioned roller bearings to be applied as necessary to meet AAR Standards.
16. Repair and/or replace the following:
 - (a) End sills and associated parts
 - (b) Crossmembers
 - (c) Center dividers
 - (d) Safety appliances including running boards
 - (e) Draft keys
 - (f) Vertical wear liners
 - (g) Springs, adapters and friction castings
 - (h) Bottom rod safety straps
 - (i) Brake shoesas necessary to meet AAR Standards.

EXHIBIT A

GENERAL REPAIR SPECIFICATIONS FOR
GTW 307050-149, 100-TON COIL STEEL CARS

17. Couplers and coupler parts to be replaced according to AAR Standards.
18. Body center plate repairs required.
19. All cars returned to have a full complement of hoods and crossmembers.
20. Other miscellaneous repairs.

Purchases & Material:
Detroit, Michigan
August 30, 1984