

#10

Rec. No 10086-E

June 26, 1986

10086-E  
JUN 30 1986 - 1 50 PM  
INTERSTATE COMMERCE COMMISSION

James Bayne  
Interstate Commerce Commission  
Washington, D.C. 20423

Re: Recordation of Amendment

Dear Mr. Bayne:

*a first Amendment to Lease Agreement*

Enclosed for recordation under the provisions of 49 USC 11303(a) are the original and one copy of ~~a Restatement and Amendment of Leases~~ dated as of July 1, 1986. The Railroad Car Lease Agreement to which said Amendment relates is dated as of October 2, 1978, was filed in your office on December 26, 1979, and was given Recordation No. 10086-A. Said Amendment is a secondary document.

The names and addresses of the parties are:

<u>Lessor:</u>	Evans Transportation Company 2550 Golf Road Rolling Meadows, IL 60008
<u>Lessee:</u>	LEF&C Leasing Company Incorporated 1062 East Wood Street P.O. Box 430 Clarion, PA 16214

The undersigned acted as special counsel in connection with the preparation of the enclosed document and has knowledge of the matter set forth therein.

Please return the original of said Amendment to Michael G. McGee, Esq., Chapman and Cutler, 111 West Monroe Street, Chicago, Illinois 60603. Also enclosed is a check in the amount of \$10.00 covering the required recording fee.

A short summary of the enclosed secondary document to appear in the Index follows:

*CT. Kempler*  
*A. Quinlan*

First Amendment to Lease Agreement between Evans Railcar Leasing Company and LEF&C Leasing Company Incorporated, 1062 East Wood Street, P.O. Box 430, Clarion, PA 16214, as Lessee, covering the railroad rolling stock described in Annex A hereto.

If you have any questions, please feel free to contact me.

Sincerely,

CHAPMAN AND CUTLER

By



Michael G. McGee

MGM:jl  
Enclosures

ANNEX A

<u>LOT #</u>	<u>NO. OF CARS</u>	<u>ORIGINAL SPECIFICATIONS</u>	<u>DESCRIPTION AND ROAD NUMBERS</u>
1587-50	9	70 T. Steel Boxcar, Rigid Underframe Nailable Steel Floor XM - B314	LEF 1200, 1209, 1211, 1243, 1249, 1257, 1259, 1281, 1295
1719-50	10	70 T. Steel Boxcar, Rigid Underframe Nailable Steel Floor XM - B314	LEF 1417, 1431, 1432, 1434, 1441, 1448, 1458, 1468, 1488, 1495
1719-51	17	70 T. Steel Boxcar, Rigid Underframe Nailable Steel Floor XF - B314	CIC 1400, 1402, 1409, 1412, 1415, 1416, 1418, 1419, 1420, 1422, 1428, 1434, 1435, 1438, 1440, 1444, 1445
1720-50	5	70 T. Steel Boxcar, Rigid Underframe XM - B314	LEF 1517, 1521, 1535, 1539, 1558
1720-52	8	70 T. Steel Boxcar, Rigid Underframe XM - B314	CIC 1403, 1408, 1410, 1413, 1421, 1424, 1426, 1442
1720-51	9	Boxcar, Steel Nailable Steel Floor (End of Car Cushion) XM - B414	RV 2008, 2017, 2018, 2022, 2035, 2038, 2041, 2047, 2048
1760-50	28	100 T. Steel Gondola GB - G513	CIC 1305, 1306, 1307, 1308, 1309, 1310, 1312, 1317, 1324, 1327, 1333, 1335, 1336, 1339, 1344, 1345, 1355, 1361, 1362, 1363, 1375, 1376, 1377, 1378, 1387, 1389, 1390, 1393

REGISTRATION NO. 10086-E  
FILED 1425

JUN 30 1986 :1 52 PM

INTERSTATE COMMERCE COMMISSION

FIRST AMENDMENT TO LEASE AGREEMENT

FIRST AMENDMENT TO LEASE AGREEMENT, dated as of July 1, 1986, between EVANS RAILCAR LEASING COMPANY (formerly United States Railway Leasing Company), an Illinois corporation (the "Lessor"), and LEF&C LEASING COMPANY INCORPORATED, a Pennsylvania corporation (the "Lessee").

W I T N E S S E T H

WHEREAS, the Lessee and Lessor have heretofore entered into a Railroad Car Lease Agreement dated October 2, 1978, as amended, (the "Lease Agreement") pursuant to which Lease Agreement the Lessee leased certain railroad cars of the model, type and construction as set forth in Annex A attached hereto (collectively the "Equipment" and individually a "Car"); and

WHEREAS, said Lease Agreement was filed for record in the Office of the Secretary of the Interstate Commerce Commission on December 26, 1979 and has been assigned recordation No. 10086-A; and

WHEREAS, the Lessee has requested that its creditors and lessors agree to restructure and refinance certain of the Lessee's Obligations to the Lessor and other creditors of the Lessee; and

WHEREAS, the Lessee and such creditors and lessors have agreed to so restructure and refinance the Obligations of the Lessee and the Lessee has agreed to grant to such creditors and lessors a security interest and lien in certain of its assets; and

WHEREAS, the Lessor and such other creditors and lessors of the Lessee are entering into an Intercreditor Agreement dated as of July 1, 1986 (the "Intercreditor Agreement"), such creditors and the Lessor are hereinafter referred to as the "Lenders"; and

WHEREAS, the Lessee has agreed to execute and deliver to The Savings & Trust Company of Pennsylvania, as collateral agent for the Lenders (the "Security Trustee"), a Security Agreement-Trust Deed dated as of July 1, 1986 (the "Security Agreement") securing the Lessee's Obligations with a security interest in all of its accounts receivable and a maintenance account maintained by the Lessee with the Security Trustee; and

WHEREAS, the Lenders and the Lessee are executing and delivering, concurrently herewith, certain amendment agreements, each dated as of July 1, 1986, for the purpose of restructuring and amending the Lender Agreements (the term "Lender Agreements" shall have the meaning set forth in Paragraph 28(i) hereof); and

EXHIBIT D  
(Evans)

WHEREAS, Lessor and Lessee are executing and delivering, concurrently herewith, a certain Amendment and Forebearance Agreement, dated as of July 1, 1986, for the purpose of restructuring and amending the 1982 Evans Agreement and the Evans Note (the terms "1982 Evans Agreement" and "Evans Note" all have the meanings set forth in Paragraphs 28 (m) and 28 (n) hereof); and

WHEREAS, the Lessee and Lessor now desire to amend the Lease Agreement in the respects, but only in the respects, hereinafter set forth.

NOW, THEREFORE, the Lessor and Lessee hereby agree as follows:

SECTION 1. Paragraph 4 of the Lease Agreement shall be amended in its entirety so that such paragraph henceforth shall read as follows:

"4. Use and Possession. (a) Subject to the provisions of Paragraph 4(b) hereof, so long as Lessee shall not be in default under this Lease, Lessee shall be entitled to possession of each Car from the date the Lease becomes effective as to 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; and (iv) only within the continental limits of the United States of America or in temporary or incidental use in Canada, but subject at all times to all terms and conditions of this Agreement.

(b) Anything contained in this Agreement and particularly this Paragraph 4 notwithstanding, the Lessee agrees that at any time after June 30, 1991 and prior to July 1, 1996 the Lessor, upon 15 days written notice to the Lessee, may require the Lessee to deliver possession of the Equipment designated on Annex A hereto to the Lessor or its agents; provided, however upon such delivery of all Equipment by the Lessee to the party designated to receive such Equipment, the Lessee's obligation to Lessor hereunder shall be forgiven and terminated in consideration for the delivery of such Equipment. This Paragraph 4(b) shall only be operative and the election of the Lessor to require delivery of Equipment pursuant to this Paragraph 4(b) shall only take place upon the issuance of written notice from the Lessor to the Lessee, which notice shall be specifically designated as a "Paragraph 4(b) Equipment Removal and Rental Forgiveness Notice". The Lessee agrees that any sublease of the Equipment which would

otherwise be permitted by this Agreement shall if entered into by the Lessee after January 1, 1986, contain a legend on the first page thereof in all capital letters stating that such sublease "is subject to the provisions of Paragraph 4(b) of the First Amendment to Lease Agreement dated as of July 1, 1986, and any sublease of Equipment is subject to reclamation on or after June 30, 1991 at the option of a lessor/creditor of LEF&C Leasing Company, Incorporated."

SECTION 2. Paragraph 5 of the Lease Agreement shall be amended in its entirety so that such paragraph henceforth shall read as follows:

"5. Term. Notwithstanding any provisions to the contrary contained herein or in any Annex or Schedule hereto, the "Principal Term" of the Lease with respect to the Equipment shall be extended until June 30, 1996, subject however to Lessor's rights under Paragraph 4(b) hereof."

SECTION 3. Paragraph 6 of the Lease Agreement shall be amended in its entirety so that such paragraph henceforth shall read as follows:

"6. Rental. During the Principal Term, Lessee will pay to Lessor rentals in the aggregate amount of \$4,885,512 and hereby promises to pay such rentals to the Lessor as follows:

(i) On July 31, 1986 and on the last day of each month thereafter a rental payment in the amount of \$14,980 (the "Minimum Payment"); plus

(ii) On July 31, 1986 and on the last day of each January, April, July and October thereafter a rental payment equal to the Contribution Payment as that term is hereinafter defined; plus

(iii) On June 30, 1996, or on the date of the prior termination of this Lease with respect to all of the Equipment then remaining under this Lease pursuant to Paragraph 4(b), a final installment in the amount equal to the entire amount of all rentals accrued and remaining unpaid hereunder as of said date."

SECTION 4. The initial clause (first seven lines) of Paragraph 18 of the Lease Agreement shall be amended by replacing such clause with a clause which shall read as follows:

"18. Default. The time of payment of rentals is of the essence of this Lease. If, during the continuance of this Lease, one or more of the following events shall occur:

(a) If Lessee shall fail to make any payment required under this Lease within 20 days after same shall have become due; provided, however, if the sole payment default of the Lessee is as a result of the failure of the Lessee to make full payment of the Minimum Payment, such event shall not constitute a Default hereunder unless during a period of three calendar months the Lessee fails to pay at least \$210,000 as aggregate Minimum Payment plus Other Lender Minimum Payment for such period; or (b) the Lessee shall default or fail for a period of 20 days 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 (c) 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; or (d) the Lessee shall fail to pay in full any sum payable by the Lessee under the 1982 Evans Agreement or the Evans Note, as amended, or any Lender Agreement, Lender Amendment, indenture or other instrument of the Lessee as and when the same shall become due and payable; or (e) any default shall occur under the provisions of Paragraph 4 of the Security Agreement; or (f) any default shall occur in the observance or performance of any covenant or agreement contained in any Lender Agreement or Lender Amendment; or (g) if any representation or warranty made by the Lessee herein, or made by the Lessee in any statement or certificate furnished by the Lessee in connection with the execution and delivery of the Lender Agreements, the Lender Amendments or the Security Agreement, is untrue in any material respect as of the date of the making thereof; then and in any of said events United may at its election:

SECTION 5. Paragraph 28 of the Lease Agreement shall be amended by adding thereto additional definitions to read as follows:

"(f) "Contribution Payment" whenever used in this Agreement shall mean, an amount equal to (i) 90% of the remainder of Gross Cash Margin minus three times the Total Minimum Payment then owing by the Lessee, times (ii) a percentage which shall equal the portion of the Lessee's gross revenues (resulting from the utilization of all equipment financed under the Lender Agreements) contributed by the Equipment leased hereunder in the most recent calendar quarter of the Lessee.

(g) "Gross Cash Margin" wherever used in this Agreement shall mean, all cash received by the Lessee from any source in a calendar quarter, less all cash expenditures during such period for maintenance, taxes (including current income taxes if any), insurance, payments on the \$1,000,000 Note of the Lessee dated May 28, 1982 issued to the Evans Transportation Company, management fees in an aggregate amount not to exceed \$90,000 during any 12 month period, less certain accrued amounts properly allocated to such quarterly period for items paid other than monthly or quarterly. Any insurance proceeds or other sums paid to the Lessee as a result of the loss, damage or destruction of any Car or any such amounts received by the Lessee as a result of loss, damage or destruction of any equipment securing the Obligations shall not be included in Gross Cash Margin.

(h) "Other Lender Minimum Payments" wherever used in this Agreement shall mean, the sum of the "minimum payments" as such term is defined in the Other Lender Agreements. The term "Total Minimum Payment" shall mean the sum of the Minimum Payment plus the Other Lender Minimum Payments.

(i) "Lender Agreement(s)", whenever used in this Agreement means the Lease Agreement and/or one or more of the following:

(1) a Conditional Sale Agreement dated as of May 1, 1980 entered into by the Lessee with Greenville Steel Car Company (Greenlease Company Division);

(2) a Conditional Sale Agreement dated as of January 1, 1979 entered into by the Lessee with Evans Transportation Company; and

(3) several Lease Agreements entered into by the Lessee and Greenville Steel Car Company (Greenlease Company Division) dated as of February 1, 1980, February 2, 1980 and April 1, 1980, respectively.

(Such Lender Agreements described in (a), (b) and (c) as amended by the Lender Amendments, are herein called the "Other Lender Agreements".)

(j) "Lender Amendment(s)", whenever used in this Agreement, means one or more of the agreements dated as of July 1, 1986, amending the Lender Agreements.

(k) "Lender Group", whenever used in this Agreement, means the Lender or the Group of Lenders under any one of the Lender Agreements.

(l) "Obligations", whenever used in this Agreement, means the outstanding indebtedness of the Lessee under the Lender Agreements, as amended by the Lender Amendments.

(m) "1982 Evans Agreement", whenever used in the Agreement, means the Agreement by and between Lessor and Lessee dated May 28, 1982.

(n) "Evans Note", whenever used in this Agreement, means the Promissory Note in the face amount of \$1,000,000.00 payable to Lessor and dated May 28, 1982."

SECTION 6. The Lease Agreement shall be amended by adding thereto an additional paragraph to be designated Paragraph 30 and to read in its entirety as follows:

"30. Maintenance Account. The Lessee agrees to establish a Maintenance Account with the Security Trustee to be designated Lessee's "Maintenance Account-LEF&C Restructuring" (herein called the "Maintenance Account"). The Lessee agrees to make payments to the Maintenance Account and the Security Trustee agrees to administer such funds for the account of the Lessee as hereinafter set forth.

(a) In any calendar quarter in which the Gross Cash Margin exceeds three times the Total Minimum Payment the Lessee agrees to deposit in the Maintenance Account an amount equal to ten percent (10%) of the excess of Gross Cash Margin over three times the Total Minimum Payment.

(b) As long as no Default shall have occurred herein, the funds on deposit in the Maintenance Account shall be used by the Security Trustee to equalize the maintenance expenses of the Lessee. In any month in which the maintenance expense of the Lessee, as certified in writing by the President of the Lessee, exceeds one hundred twenty percent (120%) of the average monthly maintenance expense incurred by the Lessee during the previous six month period, the Security Trustee shall permit the Lessee to withdraw funds from the Maintenance Account in an amount not to exceed the amount by which monthly maintenance expense exceeded one hundred twenty percent

(120%) of such monthly average maintenance expense.

(c) At any time the funds on deposit in the Maintenance Account exceed \$100,000 the Security Trustee shall pay such excess and that portion of any additional deposits by the Lessee which would cause such Maintenance Account to exceed \$100,000 to the Lenders to reduce the Obligations of the Lessee in accordance with the provisions of Section 2.2 of the Intercreditor Agreement."

SECTION 7. The Lease Agreement shall be amended by adding thereto an additional paragraph to be designated Paragraph 31 and to read in its entirety as follows:

"31. Financial Reports. (a) Within ten business days of the end of each month the Lessee will provide to the Lessor a financial report signed by its chief financial officer, which report will set forth with all reasonable detail the amount of the Minimum Payment and Other Lenders Minimum Payments. The report prepared at the end of each calendar quarter of the Lessee should also set forth with all reasonable detail the Gross Cash Margin, the Contribution Payment and the respective contributions to revenues of each equipment type during such calendar quarter.

(b) Within 120 days after the end of each calendar year beginning with the calendar year ending December 31, 1986, the Lessee will provide to the Lessor an opinion from a firm of independent public accountants of recognized national standing to the effect that such accountants have reviewed the Lessee's computations of Contribution Payment required by Section 6 hereof and have concluded it to have been calculated in accordance with the Agreement or setting forth the adjustments, if any, which are necessary to make such computations in accordance with the terms of this Agreement."

SECTION 8. The Lease Agreement shall be amended by adding thereto an additional paragraph to be designated Paragraph 32 and to read in its entirety as follows:

"32. Payments to Affiliates. The Lessee will not make payments to any Affiliate without the prior written consent of the Lessor, except for (i) reimbursement for maintenance of equipment owned or leased by the Lessee, such reimbursement to be upon fair and reasonable terms no less favorable to the Lessee than would be obtained in a comparable arm's-length transaction with a Person other

than an Affiliate, (ii) reimbursement for insurance premiums and taxes (including current income taxes, if any) paid by an Affiliate on its behalf, and (iii) an annual management fee not to exceed \$90,000 for the rendering of management services in the ordinary course of business pursuant to the reasonable requirements of the Lessee and upon fair and reasonable terms no less favorable to the Lessee than would be obtained in a comparable arm's-length transaction with a Person other than an Affiliate. Such reimbursements and fees shall not include service fees, handling fees or other overhead costs.

"Affiliate" shall mean any Person (i) which directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, the Lessee, (ii) which beneficially owns or holds 5% or more of any class of the Voting Stock of the Lessee or (iii) 5% or more of the Voting Stock (or in the case of a Person which is not a corporation, 5% or more of the equity interest) of which is beneficially owned or held by the Lessee or a subsidiary. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of Voting Stock, by contract or otherwise.

"Person" shall mean an individual, partnership, corporation, trust or unincorporated organization, and a government or agency or political subdivision thereof."

SECTION 9. The Lease Agreement shall be amended by adding thereto an additional paragraph to be designated Paragraph 33 and to read in its entirety as follows:

"33. Disposition of Equipment. (a) Subject to the rights of the Lessor under Paragraph 4(b) of this Agreement, this Agreement shall remain effective for a term of ten (10) years commencing on July 1, 1986.

(b) Upon termination of this Agreement pursuant to Paragraph 33(a) or upon the election of the Lessor pursuant to Paragraph 4(b) hereof to take possession of the Equipment, the Lessee agrees that upon the request of the Lessor it will act as a nonexclusive agent of the Lessor upon written notice from the Lessor for the purposes of arranging the disposition of the Equipment. As such agent, the Lessee shall upon such written notice:

(a) analyze the then current market for used railroad equipment of the same type and age as the Equipment;

(b) advise the Lessor as to the then comparable profitability of the lease or sale of the Equipment and give its recommendations in connection therewith;

(c) subject to the terms hereof, use all reasonable diligence and dispatch to arrange for the sale of the Equipment to purchasers upon terms favorable to and agreeable to the Lessor; and

(d) arrange all documentation, including consents and agreements of necessary parties, necessary to complete the sale of the Equipment.

Upon the sale of the Equipment the Lessor shall compensate the Lessee for its services as sales agent with a fee equal to five percent (5%) of the net proceeds received for such Equipment from the sale transaction arranged by the Lessee.

(c) If at any time during the term of this Agreement the Lessor believes that the Equipment could be leased to a lessee other than the Lessee at an annual rate which would exceed the earnings on such Equipment from service as directed by the Lessee, then the Lessee agrees to within three days after notice determine whether in fact additional earnings would be forthcoming and cooperate fully in any sublease of the cars at the direction of the Lessor if greater earnings will result from such sublease. The Lessor will receive as a direct payment from the Lessee the excess earnings realized as a result of any sublease over the sum of (i) the historical earnings of the Lessor in its utilization of such Equipment during the previous 12 months plus (ii) any documented future increase in earnings which the Lessee expects to receive from its continued leasing of the Equipment."

SECTION 10. The Lease Agreement shall be amended by adding thereto an additional paragraph to be designated Paragraph 34 and to read in its entirety as follows:

"34. Purchase or Lease of Additional Railcars. (a) The Lessee shall not, at any time purchase railcars unless:

(1) the Lessee shall have given the Lessor and Greenlease, Inc. notice (i) setting forth in

detail, the precise specifications of such railcars, the proposed purchase price or prices, the proposed date of purchase and all other material terms and conditions of such purchase, including, without limitation, any arrangements for the financing of such purchase and (ii) offering to purchase such railcars from the Lessor or Greenlease, Inc. upon the same terms and conditions as those set forth in such notice ("Acquisition Intent Notice"), and

(2) the Lessor or Greenlease, Inc. shall not have notified the Lessee of its election to sell or arrange for the sale of such railcars to the Lessee within 30 days following receipt of an Acquisition Intent Notice of its election to build and sell such railcars upon such terms and conditions.

(b) The Lessee shall not at any time lease, as lessee, railcars unless:

(1) the Lessee shall have given the Lessor and Greenlease, Inc. notice (i) setting forth in detail, the precise specifications of such railcars, the proposed lease rate or rates, the proposed date and term of the lease and all other material terms and conditions of such lease, including, without limitation, any arrangements for the financing of such lease and (ii) offering to lease such railcars from the Lessor and Evans upon the same terms and conditions as those set forth in such notice ("Acquisition Intent Notice"), and

(2) the Lessor or Greenlease, Inc. shall not have notified the Lessee of its election to lease or arrange for the lease such railcars to the Lessee, within 30 days following receipt of an Acquisition Intent Notice of its election to build and lease such railcars upon such terms and conditions.

If the Lessor or Greenlease, Inc. shall not have so elected to build and sell or lease such railcars, the Lessee may purchase or lease such railcars from another seller or lessor at a price and upon other terms and conditions no less favorable to the Lessee than those specified in such Acquisition Intent Notice.

The Lessee shall use its best efforts to have Lake Erie, Franklin & Clarion Railroad grant rights of first

refusal to the Lessor and Greenlease, Inc. similar to the rights granted by this Paragraph 34."

Any and all notices, requests, certificates and other instruments executed and delivered after the execution and delivery of this First Amendment may refer to the "Evans Lease Agreement dated October 2, 1978" without making specific reference to this First Amendment but nevertheless all such references shall be deemed to include this First Amendment unless the context shall otherwise require.

This First Amendment shall be construed in connection with and as part of the original Lease Agreement and all terms, conditions and covenants contained in the original Lease Agreement except as herein modified shall be and remain in full force and effect.

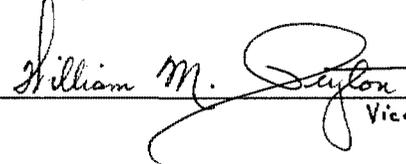
The First Amendment may be executed in any number of counterparts, each executed counterpart constituting an original but all together one and the same instrument.

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.

Attest:

  
ASST. Secretary

EVANS RAILCAR LEASING COMPANY  
(Lessor)

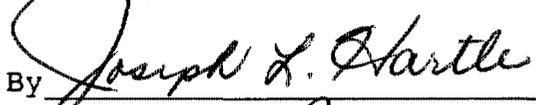
By   
Vice President

(CORPORATE SEAL)

Attest:

  
ASST. SECRETARY  
(CORPORATE SEAL)

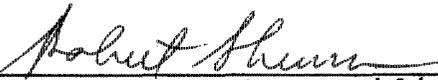
LEF&C LEASING COMPANY  
INCORPORATED  
(Lessee)

By   
PRESIDENT

STATE OF ILLINOIS )  
 ) SS:  
COUNTY OF COOK )

On this 19 day of JUNE, 1986, before me personally appeared WILLIAM PEYTON, to me personally known, who being by me duly sworn, says that he is the VICE PRESIDENT of Evans Railcar Leasing Company, an Illinois 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 he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

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

(NOTARIAL SEAL)

My Commission Expires:

NOTARY PUBLIC STATE OF ILLINOIS  
MY COMMISSION EXPIRES April, 1987  
ISSUED THRU ILL. NOTARY ASSOC.

COMMONWEALTH OF PENNSYLVANIA )  
 ) SS:  
COUNTY OF CLARION )

On this 16th day of June, 1986, before me personally appeared Joseph R. Hartle, to me personally known, who being by me duly sworn, says that he is the President of LEF&C Leasing Company Incorporated, a Pennsylvania 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 he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Marilyn L. Smerkar  
Notary Public

(NOTARIAL SEAL)

My Commission Expires:

MARILYN L. SMERKAR, NOTARY PUBLIC  
ELK TOWNSHIP, CLARION COUNTY  
MY COMMISSION EXPIRES APRIL 2, 1987  
Member, Pennsylvania Association of Notaries

ANNEX A

<u>ORIGINAL SCHEDULE</u>	<u>LOT #</u>	<u>NO. OF CARS</u>	<u>ORIGINAL SPECIFICATIONS</u>	<u>DESCRIPTION AND ROAD NUMBERS</u>
Schedule 1 dated October 2, 1978	1587-50	9	70 T. Steel Boxcar, Rigid Underframe Nailable Steel Floor XM - B314	LEF 1200, 1209, 1211, 1243, 1249, 1257, 1259, 1281, 1295
Schedule 2 dated April 16, 1978, amended May 28, 1982	1719-50	10	70 T. Steel Boxcar, Rigid Underframe Nailable Steel Floor XM - B314	LEF 1417, 1431, 1432, 1434, 1441, 1448, 1458, 1468, 1488, 1495
Schedule 2 dated April 16, 1978, amended May 28, 1982	1719-51	17	70 T. Steel Boxcar, Rigid Underframe Nailable Steel Floor XF - B314	CIC 1400, 1402, 1409, 1412, 1415, 1416, 1418, 1419, 1420, 1422, 1428, 1434, 1435, 1438, 1440, 1444, 1445
Schedule 4 dated December 13, 1979, amended May 28, 1982	1720-50	5	70 T. Steel Boxcar, Rigid Underframe XM - B314	LEF 1517, 1521, 1535, 1539, 1558
Schedule 4 dated December 13, 1979, amended May 28, 1982	1720-52	8	70 T. Steel Boxcar, Rigid Underframe XM - B314	CIC 1403, 1408, 1410, 1413, 1421, 1424, 1426, 1442
Schedule 5 dated December 13, 1979, amended May 28, 1982	1720-51	9	Boxcar, Steel Nailable Steel Floor (End of Car Cushion) XM - B414	LEF 2008, 2017, 2018, 2022, 2035, 2038, 2041, 2047, 2048
Schedule 3 dated July 31, 1979, amended May 28, 1982 and April, 1985	1760-50	28	100 T. Steel Condola GB - G513	CIC 1305, 1306, 1307, 1308, 1309, 1310, 1312, 1317, 1324, 1327, 1333, 1335, 1336, 1339, 1344, 1345, 1355, 1361, 1362, 1363, 1375, 1376, 1377, 1378, 1387, 1389, 1390, 1393