14 WALL STREET, NEW YORK, N. Y. 10005
(212) 732-1040, TELEX: 126201

280 PARK AVENUE, NEW YORK, N. Y. 10017
(212) 732-1040; TELEX: 126697

125 WORTH AVENUE, PALM BEACH, FLORIDA 33480
(305) 833-1040, TELEX: 803454

WHITE & CASE
1747 PENNSYLVANIA AVENUE, N. W.
WASHINGTON, D. C. 20006
(202) 872-0013
TELEX: 89543

20 PLACE VENDÔME, 75001 PARIS, FRANCE
260. 34. 05; TELEX: 220242

66 GRESHAM ST., LONDON EC2V 7LB, ENGLAND
726-6361; TELEX: 884757

2 ICE HOUSE STREET, HONG KONG
5-253061; TELEX: 63604

No. 3-230A083
Date AUG 18 1983
Fee $ 130.00

August 17, 1983

RECEIVED
I.C.C.
FEE OPERATION BR.
1983 AUG 18 2 15 PM

BY HAND DELIVERY

10122

Secretary of the
Interstate Commerce Commission
Recordation Office
Interstate Commerce Commission
Constitution Avenue and
Twelfth Street, N.W.
Room 2303
Washington, D.C. 20423

RECORDATION NO. 10122-B Filed 1426

AUG 18 1983 2 15 PM
INTERSTATE COMMERCE COMMISSION

Dear Sir:

Enclosed for recordation are two copies of a court order dated February 24, 1983 issued by the United States Bankruptcy Court for the Northern District of Illinois, one of which copies has been certified as a true and correct copy by the clerk of court. The order and subsequent foreclosure sale described below declare and effect by force of law the release of all interests in certain railcars described below by Funding Systems Railcars, Inc., Upper Merion & Plymouth Railroad Co., Wisconsin & Southern Railroad Co., Refco Rail Equipment, Inc., National Railway Utilization Corporation, and Girard Bank, secured party as agent for Federated High Income Securities, Inc. and Federated Income and Private Placement Fund (collectively the "Funds").

The enclosed court order also authorizes the sale at auction of the interests in said railcars so released by the above-mentioned parties. Such a sale was subsequently conducted, and by it Girard Bank, as agent for the Funds, acquired and transferred all the interests in said railcars so released by the above mentioned parties, as documented by instruments being filed for recordation with this Commission immediately following the filing of this release.

The parties to the enclosed release and the railcars affected thereby are as follows:

Andrea R. Fekkes

Recordation Agency for 13 Counterparts

NAMES AND ADDRESSES OF PARTIES

1. Parties Releasing All Interests (Transferors):

FUNDING SYSTEMS RAILCARS, INC.
Tri-State Center, Suite 370
2215 Sanders Road
Northbrook, IL 60062

UPPER MERION & PLYMOUTH RAILROAD CO.
P.O. Box 404
Conshohocken, PA 19428

WISCONSIN & SOUTHERN RAILROAD CO.
501 East Lake Street
Horicon, WI 53032

REFCO RAIL EQUIPMENT, INC.
222 West Adams Street
Chicago, IL 60606

NATIONAL RAILWAY UTILIZATION CORPORATION
1100 Centre Square East
1500 Market Street
Philadelphia, PA 19102

GIRARD BANK (secured party) as agent
for FEDERATED HIGH INCOME SECURITIES, INC.
and FEDERATED INCOME AND PRIVATE PLACEMENT
FUND
Broad and Chestnut Streets
Philadelphia, PA 19101

2. Party Subsequently Acquiring Those Interests (Transferee):

GIRARD BANK, as agent for
Federated High Income Securities, Inc.
and Federated Income and Private
Placement Fund
Broad and Chestnut Streets
Philadelphia, PA 19101

RAILCARS IN WHICH PRIOR INTERESTS
ARE HEREBY RELEASED

One hundred fifty-three (153) 70-ton Type XM rebuilt railroad boxcars bearing the following road numbers, inclusive:

NSL/WSOR 151354-445
NSL/WSOR 156067-114
NSL/WSOR 157000-014

The prior interests that are hereby released were recorded with the Commission in the following documents, among others:

1. Security Agreement dated January 10, 1979 between Funding Systems Railcars, Inc. and Girard Bank as agent for the Funds; affects cars NSL 151354-410, NSL 156067-084; filed February 16, 1979, Recordation No. 10122.

2. Amendment to January 10, 1979 Security Agreement dated July 3, 1980 between Funding Systems Railcars, Inc. and Girard Bank as agent for the Funds; affects cars NSL 151354-410, NSL 156067-084; filed August 15, 1980, Recordation No. 10122A.

Please find enclosed a check in the amount of $10 in payment of the applicable filing fee. Please cause the enclosed certified copy of the court order to be recorded, and please stamp and return the remaining copy thereof to:

WHITE & CASE
1747 Pennsylvania Avenue, N.W.
Washington, D.C. 20006

Attention: T. L. Higginson, Jr.

Thank you for your assistance.

Yours truly,

FEDERATED HIGH INCOME SECURITIES, INC.

FEDERATED INCOME AND PRIVATE PLACEMENT FUND

By: Thomas L. Higginson Jr.
Attorney

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

White & Case
1747 Pennsylvania Ave. N. W.
Washington, D. C. 20006
Attn: T. L. Higginson, Jr.

August 18, 1983

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 8/18/83 at 2:55PM, and assigned re-recordation number(s). 10122-B, 10123-B, 10124-A, 10125-F, 10149-A, 10193-A, 10221-B, 10222-B, 10223-A, 10225-A, 10275-A, 12105-A, & 12106-A

Sincerely yours,

Agatha L. Mergenovich

Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)

RECORDATION NO. 10122-B Filed 1426

AUG 18 1983 2 55 PM
INTERSTATE COMMERCE COMMISSION

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

FOD FEB 24 1983

IN RE:	)	
	)	NO. 81 B 11964
FUNDING SYSTEMS	)	
RAILCARS, INC.	)	JUDGE HERTZ
	)	Bankruptcy Judge
Debtor	)	

DOCKETED FEB 24 1983

AGREED ORDER

THIS CAUSE coming on to be heard on the Notice of Hearing and Application for the entry of this Agreed Order by FUNDING SYSTEMS RAILCARS, INC., debtor and debtor in possession, ("FSR"), and the Court having heard argument from counsel for all interested parties, the Court hereby reviewed the pleadings, the Application and the Agreed Order and now being fully advised in the premises;

I hereby certify that the within and attached document is a full, true and correct copy of the original thereof as the same appears on file in my office as Clerk of the United States Bankruptcy Court for the Northern District of Illinois.

WAYNE E. NELSON
CLERK OF COURT
By: [signature]
Deputy Clerk
MAR 16 1983

IT IS HEREBY FOUND THAT:

A. Due and proper notice of the hearing to be held upon the Application and the entry of this Order has been given to all parties entitled thereto.

B. Twenty days' notice to all creditors and parties in interest has been waived for cause shown pursuant to the provisions of Rule 2002(b)(3) of the Interim Bankruptcy Rules.

C. The parties hereto have entered into an agreement whose terms are incorporated into this Order.

D. FSR presently is the debtor and debtor in possession in a reorganization case pending under chapter 11 of the Bankruptcy Code as Case No. 81 B 11964.

E. The Upper Merion & Plymouth Railroad Company ("UMP") and the Wisconsin and Southern Railroad Company ("WSOR") are subsidiaries of FSR.

F. Refco Rail Equipment, Inc. ("Refco") is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business located in Chicago and is the owner of certain railcar equipment more particularly described below.

G. National Railway Utilization Corporation ("NRUC") is a corporation organized and existing under the laws of the State of South Carolina, with its principal place of business located in Philadelphia, Pennsylvania, and was a sublessee of certain railcar equipment more particular described below.

H. Federated Income and Private Placement Fund, Federated High Income Securities, Inc., Girard Bank as agent of the above ("Federated"), FSR, UMP, WSOR, Refco and NRUC have entered into certain documentation relating to the financing, acquisition and lease of 153 boxcars, more particularly described on Exhibit A hereto and hereinafter collectively referred to as the "Federated Loan Documents". When the term "Federated" is used hereafter, it shall and does refer to Federated Income and Private Placement Fund, Federated High Income Securities, Inc. and Girard Bank as their agent, as the context may indicate, and any one or more of them may take any action as indicated by this Order. If Girard's agency shall terminate, "Federated" shall mean Federated Income and Private Placement Fund, Federated High Income Securities, Inc., or any other agent they may designate.

I. Pursuant to the Federated Loan Documents, Federated presently has a valid, perfected first position security interest in 153 boxcars, more particularly described on Exhibit B ("The Federated Boxcars").

J. FSR has failed to make payments due Federated pursuant to the terms of the Federated Loan Documents.

K. The Federated Boxcars presently are in the possession and/or control of FSR, its subsidiaries or NRUC.

L. The Federated Boxcars in FSR's and its subsidiaries' railcar fleet are not necessary for FSR's effective reorganization.

M. FSR contends that certain sums aggregating $167,415.63 were paid by it to Federated, within 90 days of the filing of this cause, which sums constitute alleged avoidable preferential transfers. Federated denies such claims, but to avoid the burden, expense, and uncertainties of litigation, the parties have agreed to settle and to compromise their differences according to the terms of this Order.

N. As the parties have agreed, any and all right, title and interest of FSR, UMP, WSOR, Refco, NRUC, or any one or more of them in and to the Federated Boxcars and in and to any lease, management agreement, remarketing agreement or contract concerning the Federated Boxcars as evidenced by the Federated Loan Documents or otherwise is being abandoned, rejected and terminated.

O. The Court having concluded that (1) FSR's abandonment of its right, title and interest in and to the

Federated Boxcars, (2) its rejection of all agreements relating to the Federated Boxcars, and (3) the entry of this Order are in the best interests of the estate, its creditors, and the parties in interest, and will further FSR's attempt to have a plan of reorganization confirmed;

IT IS HEREBY ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

1. FSR's right, title and interest in and to the Federated Boxcars and in and to any lease, management agreement, remarketing agreement or contract, to the extent such agreement or contract is executory, concerning the Federated Boxcars as evidenced by the Federated Loan Documents or otherwise be and hereby is abandoned, rejected and terminated, except as otherwise provided in this Order.

2. The automatic stay provided by 11 U.S.C. §362 as it pertains to the Federated Boxcars be and hereby is vacated.

3. Except with respect to any obligations imposed by or required to carry out the terms of this Order and except with respect to any claim against FSR for any deficiency in respect to the Federated Boxcars as may be allowable pursuant to the Loan Documents, each party to this Order agrees to and hereby does release each other party to this Order from any and all liabilities or indebtedness now existing or hereafter arising of whatever nature relating to the Federated Boxcars, whether such liabilities or indebtedness are direct or indirect, absolute or contingent or now due or hereafter to become due.

4. Provided that Federated complies fully with the terms of this Order, FSR, UMP, WSOR, Refco and NRUC be and hereby are restrained and enjoined, from taking any action to interfere, restrain, stay or enjoin, in any manner, Federated from taking possession of and title to the Federated Boxcars pursuant to the terms of this Order, the Federated Loan Documents and all applicable laws; and FSR, UMP, WSOR, Refco and NRUC be and hereby are restrained and enjoined from seeking an injunction to stay or enjoin the enforcement of this Order pursuant to the Bankruptcy Court's powers under 11 U.S.C. §105, or otherwise.

5. FSR, UMP, WSOR and NRUC shall cooperate with Federated in obtaining possession of the Federated Boxcars and they, Refco, NRUC and Federated shall execute any and all reasonable and necessary documents tendered to them by any party who agrees to be bound by the terms of this Order or by its agents to carry out the terms of this Order as they relate to the Federated Boxcars.

6. Simultaneously with the entry of this Order, FSR, UMP, WSOR and NRUC are tendering to Federated and Federated is accepting possession and/or control of the Federated Boxcars on as "as is" and "where is" basis. Accordingly, Federated shall cause UMP's, WSOR's and NRUC's markings to be removed from the Federated Boxcars forthwith. From and after the entry of this Order: (i) all costs relating to taxes, including but not limited to ad valorem and other property taxes, insurance, storage, maintenance, movement or

remarking of the Federated Boxcars shall be paid by Federated, and to the extent NRUC has any lien rights with respect to any such costs from and after the entry of this Order, those lien rights shall remain in full force and effect; and (ii) all revenue (net of all costs and expenses, as calculated in accordance with the Order entered by this Court reinstating FSR's Interim Operating Plan dated June 8, 1982) generated by the usage of the Federated Boxcars from and after April 1, 1982 shall be retained by FSR and credited against any sum due FSR from Federated; and (iii) if Federated elects to have FSR, UMP, WSOR or NRUC store the Federated Boxcars after the entry of this order, provided UMP, WSOR or NRUC have adequate storage space available, it shall pay UMP or WSOR the sum of $1.50 per day per car or NRUC the sum of $2.00 per day per car for such storage. The cost of storage shall be billed semi-monthly and shall be due and payable within five (5) days thereafter.

7. If an accounting shows that any such sums are due Federated with respect to the Federated Boxcars, FSR shall pay to Federated any and all sums (net of all costs and expenses, as calculated in accordance with the Order entered by this Court reinstating FSR's Interim Operating Plan dated June 8, 1982) held in any debt service, or other account that are attributable to the Federated Boxcars from April 1, 1982 to date of transfer. Such payments shall be made in the form of a credit against the sums owed by Federated to FSR pursuant to paragraph 10 hereof.

ACCEPTED:

NATIONAL RAILWAY UTILIZATION CORPORATION

By: _____

FEDERATED INCOME & PRIVATE PLACEMENT FUND

By: _____

FEDERATED HIGH INCOME SECURITIES, INC.

By: _____

remarking of erated Boxcars shall be paid by Federated, and to the extent NRUC lien rights with respect to any such costs from and after the entry of ler, those lien rights shall remain in full force and effect; and (ii) all (net of all costs and expenses, as calculated in accordance with the Orded by this Court reinstating FSR's Interim Operating Plan dated June 8 enerated by the usage of the Federated Boxcars from and after April hall be retained by FSR and credited against any sum due FSR from Fedend (iii) if Federated elects to have FSR, UMP, WSOR or NRUC store tted Boxcars after the entry of this order, provided UMP, WSOR or NRUC quate storage space available, it shall pay UMP or WSOR the sum of $lay per car or NRUC the sum of $2.00 per day per car for such storage t of storage shall be billed semi-monthly and shall be due and payal five (5) days thereafter.

accounting shows that any such sums are due Federated with respect derated Boxcars, FSR shall pay to Federated any and all sums (net of and expenses, as calculated in accordance with the Order entered by t einstating FSR's Interim Operating Plan dated June 8, 1982) held i service, or other account that are attributable to the Federated Bo April 1, 1982 to date of transfer. Such payments shall be made in ta credit against the sums owed by Federated to FSR pursuant to 0 hereof.

ACCEPTED:

NATIONAL RAIATION CORPORATIO

By: _____

FEDERATED INCOME & PRIVATE PLACEMENT FUND

By: _____

FEDERATED HIGH INCOME SECURITIES, INC.

By: _____

8. Pursuant to the Federated Loan Documents and to applicable law, Federated may accelerate the indebtedness due it as evidenced by the Federated Loan Documents and sell the Federated Boxcars without obtaining appraisals of the values of the boxcars, without advertising the Federated Boxcars for sale, without (i) assembling them, (ii) making them available for inspection, (iii) removing them from service or (iv) having the Federated Boxcars in its immediate possession or control. This Order shall constitute notice of a sale of the Federated Boxcars at 10:30 a.m., Chicago time at Weissman, Smolev & Pond, 20 North Clark Street, Chicago, Illinois, on April 4, 1983. Further notice mailed to at least five railcar leasing companies and at least ten railroad corporations specifying the time, place and terms of a sale of the Federated Boxcars to be held not more than 35 nor less than 21 calendar days after the mailing of such notices shall constitute adequate notice of such sale. Such sale may be adjourned by announcement at the time and place appointed for such sale.

Federated hereby is authorized to sell the Federated Boxcars to the highest bidder at such sale either as an entirety or in separate lots provided such bidder pays either all cash or a 20 percent down payment in cash with the balance being due in 10 calendar days after such sale, time being of the essence hereof. If such payments are not made when due, then any deposit received may be credited on the indebtedness secured by the Federated Boxcars (including the expenses of

sale) and the second highest bidder shall then have a period of 10 days to pay the full amount of its bid in cash, time being of the essence hereof. If the second highest bidder does not make the payment required in the immediately preceding sentence, or (if there be no second highest bidder) following a default by the initial highest bidder in making the payment when due herein; then in either event Federated shall have the option to declare the sale null and void and to conduct a new sale meeting the requirements of this section as though the earlier sale had not occurred.

Federated is hereby authorized to bid all or a portion of the indebtedness due it under the Federated Loan Documents at any such sale; provided, however, that any amounts so bid shall be credited against the amounts due it under the Federated Loan Documents in lieu of a cash payment with respect to any amount bid at such sale. In the event a deficiency remains in any indebtedness due Federated following such sale in accordance with the Loan Documents, Federated covenants and agrees that it will not pursue collection or satisfaction of such claim except by the filing of a general unsecured claim against FSR herein and the acceptance of such payment or other consideration as may be payable on such claims as may be allowed herein, payable pursuant to such plan of reorganization as may be confirmed herein.

Federated may conduct such sale through any authorized attorney or agent and without employing an appraiser, auctioneer or other professional for such purpose. All proceeds from

such sale, except amounts in excess of the indebtedness to Federated under the Federated Loan Documents, shall be paid to Federated only and any sale so conducted shall operate to divest all right, title, interest, claim, demand or lien of FSR, UMP, WSOR, Refco and NRUC and each of them, and any person claiming through any one or more of them, with respect to the Federated Boxcars or to any proceeds derived from the sale thereof, except amounts in excess of the indebtedness to Federated under the Federated Loan Documents.

Except as otherwise provided in this Order, any such sale shall be and constitute a perpetual bar to any claim by FSR, UMP, WSOR and NRUC and Refco and each of them and by any person claiming through any one or more of them to the Federated Boxcars and to the proceeds of the sale thereof, except to the extent such proceeds exceed the indebtedness to Federated under the Federated loan documents.

Any purchaser at such sale shall take full right, title and interest to the Federated Boxcars as the sole and exclusive owner therof, free of any and all claims of FSR, UMP, WSOR, Refco and NRUC and each of them and of any person claiming through any one or more of them. Such sale may be verified and confirmed by a duly verified certificate of sale signed by any person present at such sale and such certificate, a copy of this Order and all other documents deemed necessary to Federated may be filed with the Interstate Commerce Commission to evidence the abandonment of FSR's, UMP's, Refco's and WSOR's and NRUC's interest in and to the Federated Boxcars and of the authorization

for the sale of and the transfer of ownership of the Federated Boxcars to the successful bidder at such sale.

Notices and a sale (including the terms thereof) satisfying the requirements of this paragraph shall constitute a commercially resonable notice and sale (including the terms thereof) pursuant to Section 9-504(3) of the Uniform Commercial Code, pursuant to the Federated Loan Documents and to all applicable laws. Such provisions are specifically acceptable to FSR, UMP, WSOR, Refco and NRUC.

9. Notwithstanding any contrary provision, if any, in the Federated Loan Documents, NRUC shall withdraw all funds now held in escrow by NRUC in account No. 509001900 at Continental Bank of Norristown, Pennsylvania ("the escrow funds"). NRUC shall pay all fees to Continental Bank as may be owed to Continental as its fees and shall divide the remaining balance of the escrow funds into three equal shares. NRUC shall retain one such share for its own account and shall remit two shares to FSR. FSR shall apply one-half of the monies received from NRUC pursuant to this paragraph as a credit against the sums owed by Federated to FSR pursuant to this paragraph ("the Federated portion of the NRUC escrow funds").

No later than the earlier of the sale of the Federated Boxcars to a third person by Federated or September 30, 1983, Federated shall pay to FSR the sum of $141,303.29, representing 85% of the sums alleged by FSR to be voidable preferences as to Federated, less the Federated portion of the NRUC escrow funds.

The obligation of Federated to pay the sum of $141,303.29, less the Federated portion of the NRUC escrow funds to FSR shall be absolute and unconditional. As further assurance to FSR that the foregoing sum shall be paid to it: (i) FSR shall retain a lien on the Federated Boxcars until sold by Federated or on the proceeds of sale, if all or any portion of the Federated Boxcars are sold by Federated prior to September 30, 1983, until such time as Federated has paid the sum required hereunder to FSR; and (ii) Federated shall open and maintain an escrow account at the State Street Bank & Trust Company, Boston, Massachusetts, by the execution of the Escrow Agreement attached hereto as Exhibit C and by the performance of all acts required thereunder; and (iii) upon the sale of the Federated Boxcars to a third person, Federated shall pay to FSR all sums due hereunder from such sale proceeds.

10. Provided the terms and conditions of this Order are complied with in their entirety, and subject to the approval by the Bankruptcy Court of a disclosure statement that does not disclose any matters not previously disclosed to Federated having a materially or substantially adverse effect upon Federated's rights and interests, Federated to the extent it has a claim for any deficiency in respect of the Federated Boxcars shall accept and vote for the Plan of Reorganization, as amended, submitted by FSR, and shall cause forthwith the dismissal with prejudice of any matters now in litigation

including, but not limited to, appeals, contested matters and adversary proceedings.

11. This Order shall not be altered, modified, amended or vacated without the prior joint written consent of the parties hereto.

12. The provisions of this Order shall be binding upon and shall inure to the benefit of all signatories and to their respective successors and assigns.

13. This Order may be executed by the parties hereto in counterparts.

14. The Court certifies pursuant to E(2)(ii) of the General Order of the United States District Court dated December 20, 1982, that circumstances exist which require this Order to be approved by a Judge of the district court and Federated shall seek such approval.

AGREED AS TO FORM AND SUBSTANCE:

FEDERATED INCOME AND PRIVATE PLACEMENT FUND

By _____
John A. Staley, IV
Vice President

FEDERATED HIGH INCOME SECURITIES, INC.

By _____
John A. Staley, IV
Vice President

GIRARD BANK, not Individually, but as Agent for FEDERATED INCOME AND PRIVATE PLACEMENT FUND and FEDERATED HIGH INCOME SECURITIES, INC.

By _____

including, but not limited to, appeals, contested matters and adversary proceedings.

11. This Order shall not be altered, modified, amended or vacated without the prior joint written consent of the parties hereto.

12. The provisions of this Order shall be binding upon and shall inure to the benefit of all signatories and to their respective successors and assigns.

13. This Order may be executed by the parties hereto in counterparts.

14. The Court certifies pursuant to E(2)(ii) of the General Order of the United States District Court dated December 20, 1982, that circumstances exist which require this Order to be approved by a Judge of the district court and Federated shall seek such approval.

AGREED AS TO FORM AND SUBSTANCE:

FEDERATED INCOME AND PRIVATE PLACEMENT FUND

By_____

FEDERATED HIGH INCOME SECURITIES, INC.

By_____

GIRARD BANK, not Individually, but as Agent for FEDERATED INCOME AND PRIVATE PLACEMENT FUND and FEDERATED HIGH INCOME SECURITIES, INC.

By_____

H. E. INGLER, JR.
VICE PRESIDENT

UPPER MERION & PLYMOUTH RAILROAD CO.

By _____

WISCONSIN SOUTHERN RAILROAD COMPANY

By _____

REFCO RAIL EQUIPMENT, INC.

BY _____
President

NATIONAL RAILWAY UTILIZATION CORPORATION

By _____

ENTER:

_____
United States Bankruptcy Judge

DATED: Feb 23, 1983

UPPER MERION & PLYMOUTH RAILROAD CO.

By _____

WISCONSIN SOUTHERN RAILROAD COMPANY

By _____

REFCO RAIL EQUIPMENT, INC.

BY _____

NATIONAL RAILWAY UTILIZATION CORPORATION

By _____
Ex. V.P.

ENTER:

_____
United States Bankruptcy Judge

DATED: _____

FUNDING SYSTEMS RAILCARS, INC.

By _____

UPPER MERION & PLYMOUTH RAILROAD CO.

By _____

WISCONSIN SOUTHERN RAILROAD COMPANY

By _____

REFCO RAIL EQUIPMENT, INC.

BY _____

NATIONAL RAILWAY UTILIZATION CORPORATION

By _____

ENTER: _____

United States Bankruptcy Judge

DATED: 7-24-83

FEDERATED

EXHIBIT A

1. Finance Agreement dated January 10, 1979 between FSR, Federated Income and Private Placement Fund, Girard and UMP.

2. Purchase Order Agreement dated January 10, 1979 between FSR and NRUC.

3. Purchase Order Agreement dated January 10, 1979 between FSR and Rail Fleet Corporation.

4. Guaranty dated January 10, 1979 from Funding Systems Leasing Corporation.

5. Security Agreement dated January 10, 1979 between FSR and Girard Bank as agent of Federatd Income and Private Placement Fund; affects cars NSL 151354-410, NSL 156067-084; filed February 16, 1979, Recordation No. 10122.

6. Amendment to January 10, 1979 Security Agreement dated July 3, 1980 between FSR and Girard Bank as agent of Federated Income and Private Placement Fund; affects cars NSL 151354-410, NSL 156067-084; filed August 15, 1980, Recordation No. 10122A.

7. Lease and Management Agreement dated January 10, 1979 between FSR and UMP; affects cars NSL 151354-410, NSL 156067-084; filed February 16, 1979, Recordation No. 10123.

8. Amendment to January 10, 1979 Lease and Management Agreement dated July 3, 1980 between FSR and UMP; affects cars NSL 151354-410, NSL 156067-084; filed August 15, 1980, Recordation No. 10123A.

9. Sublease and Management Agreement dated January 10, 1979 between UMP and NRUC; affects cars NSL 151354-410, NSL 156067-084; filed February 16, 1979, Recordation No. 10124.

10. Limited Recourse Promissory Note and Security Agreement dated February 19, 1979 between REFCO and FSR; affects cars NSL 151354-372, NSL 156067-072; filed February 21, 1979, Recordation No. 10125.

11. Lease Agreement dated February 19, 1979 between REFCO and FSR; affects cars NSL 151354-372, NSL 156067-072; filed February 21, 1979, Recordation No. 10125A.

12. Amendment to February 19, 1979 Lease Agreement dated February 27, 1979 between REFCO and FSR; affects cars NSL 151373-391, NSL 156073-078; filed February 27, 1979, Recordation No. 10125B.

13. Amendment (second) to February 19, 1979 Lease Agreement dated March 13, 1979 between REFCO and FSR; affects cars NSL 151392-410, 156079-084; filed March 13, 1979, Recordation No. 10125C.

14. Limited Recourse Promissory Note and Security Agreement dated February 27, 1979 between REFCO and FSR; affects cars NSL 151373-391, NSL 156073-078; filed February 27, 1979, Recordation No. 10149.

15. Limited Recourse Promissory Note and Security Agreement dated March 13, 1979 between REFCO and FSR; affects cars NSL 151392-410, NSL 156079-084; filed March 13, 1979, Recordation No. 10193.

16. Sublease and Management Agreement dated July 3, 1980 between UMP and WSOR; affects cars NSL 151354-410, NSL 156067-084 (which this Agreement provides may be redenominated as WSOR 151354-410, WSOR 156067-084); filed August 15, 1980, Recordation No. 12106.

17. Finance Agreement dated March 12, 1979 between FSR, Federated High Income Securities, Inc., Girard, as agent and UMP.

18. Purchase Order Agreement dated March 12, 1979 between FSR and NRUC.

19. Purchase Order Agreement dated March 12, 1979 between FSR and Rail Fleet Corporation.

20. Guaranty dated March 12, 1979 from Funding Systems Leasing Corp.

21. Security Agreement dated March 12, 1979 between FSR and Girard as agent of Federated High Income Securities, Inc.; affects cars NSL 151411-445, NSL 156085-114, NSL 157000-014; filed March 23, 1979 Recordation No. 10221.

22. Amendment to March 12, 1979 Security Agreement date July 7, 1980 between FSR and Girard; affects cars NSL 151411-445, NSL 156085-114, NSL 157000-014; filed August 15, 1980, Recordation No. 10221A.

23. Lease and Management Agreement dated March 12, 1979 between FSR and UMP; affects cars NSL 151411-445, NSL 156085-114, NSL 157000-014; filed March 23, 1979, Recordation No. 10222.

24. Amendment to March 12, 1979 Lease and Management Agreement dated July 7, 1980 between FSR and UMP; affects cars NSL 151411-445, NSL 156085-114, NSL 157000-014; filed August 15, 1980, Recordation No. 10222A.

25. Sublease and Management Agreement dated March 12, 1979 between UMP and NRUC: affects cars NSL 151411-445, NSL 156085-114, NSL 157000-014; filed March 23, 1979, Recordation No. 10223.

26. Amendment to Sublease and Management Agreement dated July 7, 1980 between UMP and NRUC.

27. Limited Recourse Promissory Note and Security Agreement dated March 26, 1979 between REFCO and FSR; affects cars NSL 151411-445, NSL 156085-109, NSL 157000-014; filed April 11, 1979, Recordation No. 10225.

28. Limited Recourse Promissory Note and Security Agreement dated April 11, 1979 between REFCO and FSR; affects cars NSL 156110-114; filed April 11, 1979, Recordation No. 10275.

29. Amendment (third) to February 19, 1979 Lease Agreement dated March 26, 1979, between REFCO and FSR; affects cars NSL 151411-445, NSL 156085-109, NSL 157000-014, filed March 26, 1979, Recordation No. 10125D.

30. Amendment (fourth) to February 19, 1979 Lease Agreement dated April 11, 1979 between REFCO and FSR; affects cars NSL 156110-114; filed April 11, 1979, Recordation No. 10125E.

31. Sublease and Management Agreement dated July 7, 1980 between UMP and WSOR; affects cars NSL/WSOR 151411-445, NSL/WSOR 156085-114, NSL/WSOR 157000-014; filed August 15, 1980, Recordation No. 12105.

32. Secured Promissory Note dated February 20, 1979 in the amount of $708.750.00 between Funding Systems Railcars, Inc. and Federated Income & Private Placement Fund; affects cars NSL 156067-072, NSL 151354-372.

33. Secured Promissory Note dated March 1, 1979 in the amount of $708,750.00 between Funding Systems Railcars, Inc. and Federated Income and Private Placement Fund affects cars NSL 151373-391, NSL 156073-078.

34. Secured Promissory Note dated March 13, 1979 in the amount of $708,750.00 between Funding Systems Railcars, Inc. and Federated Income and Private Placement Fund; affects cars NSL 156079-084, NSL 151392-410.

35. Letter Amendment dated March 10, 1981 amending Lease Agreement dated February 27, 1979.

36. Purchase Agreement dated October 30, 1978 between Funding Systems Railcars, Inc. and Refco.

37. Amendment to October 30, 1978 Purchase Agreement dated February 19, 1979 between Funding Systems Railcars, Inc. and Refco.

38. Remarketing Agreement dated February 19, 1979 between Funding Systems Railcars, Inc. and Refco.

39. Collateral Assignment dated February 19, 1979, February 27, 1979 and March 13, 1979 between Funding Systems Railcars, Inc. and Refco.

40. (3) Promissory Notes dated February 19, 1979 between Funding Systems Railcars, Inc. and Refco in the amount of $70,000, $66,000 and $58,000.

41. (3) Promissory Notes dated February 27, 1979 between Funding Systems Railcars, Inc. and Refco in the amount of $70,000, $66,000 and $58,000.

42. (3) Promissory Notes dated March 13, 1979 between Funding Systems Railcars, Inc. and Refco in the amount of $70,000, $66,000 and $58,000.

43. Secured Promissory Note dated March 28, 1979 in the amount of $1,417,500.00 between Funding Systems Railcars, Inc. and Federated High Income Securities; affects cars NSL 156090-109, NSL 151431-445 and NSL 157000-014.

44. Secured Promissory Note dated April 11, 1979 in the amount of $141,750 between Funding Systems Railcars, Inc. and Federated High Income Securities; affects cars NSL 156110-114.

45. Amendment to October 30, 1978 Purchase Agreement dated March 27, 1979 between Funding Systems Railcars, Inc. and Refco.

46. Collateral Assignment dated April 11, 1979 and March 26, 1979 between Funding Systems Railcars, Inc. and Refco.

47. (3) Promissory Notes dated April 11, 1979 between Funding Systems Railcars, Inc. and Refco in the amounts of $14,000, $13,000 and $11,775.

48. (3) Promissory Notes dated March 26, 1979 between Funding Systems Railcars, Inc. and Refco in the amounts of $210,000, $174,000 and $198,000.

49. Secured Promissory Note dated March 27, 1979 in the amount of $708,750 between Funding Systems Railcars, Inc. and Federated High Income Securities; affects cars NSL 156085-089 and NSL 151441-430.

EXHIBIT B

NSL	151354-410
NSL	151411-445
NSL	156067-084
NSL	156085-114
NSL	157000-014

-OR-

NSL/WSOR	151354-410
NSL/WSOR	156067-084
NSL/WSOR	151411-445
NSL/WSOR	156085-114
NSL/WSOR	157000-014

EXHIBIT C

ESCROW AGREEMENT

THIS ESCROW AGREEMENT, dated as of _____, 1983, is made among FEDERATED INCOME & PRIVATE PLACEMENT FUND, and FEDERATED HIGH INCOME SECURITIES, INC., both engaged in business at 421 Seventh Avenue, Pittsburgh, Pennsylvania 15219 (collectively referred to herein as "Federated"), FUNDING SYSTEMS RAILCARS, INC. ("FSR"), a Delaware corporation, and STATE STREET BANK AND TRUST COMPANY ("State Street"), 225 Franklin Street, Boston, Massachusetts 02101.

WHEREAS, the United States Bankruptcy Court for the Northern District of Illinois has entered an Agreed Order dated _____, 1983, to which Federated and FSR have consented (the "Order"); and

WHEREAS, pursuant to the terms of the Order, FSR has transferred possession and control of the Federated Boxcars to Federated and Federated has agreed to pay the sum of $141,303.29 less certain sums identified in the Order as "the Federated portion of the NRUC escrow funds" (the "Agreed Payment") to FSR no later than the earlier of the sale of any or all the Federated Boxcars to a third person or September 30, 1983; and

WHEREAS, FSR has required as further assurance of receipt when due of the Agreed Payment that Federated open and maintain an escrow account, on the terms and conditions of this Escrow Agreement; and

WHEREAS, State Street is willing to act as Escrow Agent pursuant to the terms of this Escrow Agreement; and

WHEREAS, capitalized terms not defined herein shall have the respective meanings as set forth in the Order.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein and intending to be legally bound, the parties to the Escrow Agreement hereby agree as follows:

1. Terms.

(a) Not later than 11 days after entry of the Order, Federated will deliver to State Street, to hold as Escrow Agent hereunder, marketable securities having a liquidation value on the date of transfer of an amount not less than 125% of the Agreed Payment ("Escrow Fund"). Federated shall be free to select the securities to be transferred into the Escrow Fund and to substitute upon notice to FSR, from time to time at its discretion, other such marketable securities for all or any part of the securities held in the Escrow Fund, provided that the aggregate liquidation value of such securities after any such substitution remains no less than 125% of the Agreed Payment. The liquidation value of the securities in the Escrow Fund shall be calculated by Federated as of the first business day of each month ("Valuation Date") commencing on the first business day of the month following the entry of the Order, with copies of such valuations to be promptly provided to FSR and State Street. If on any Valuation Date the liquidation value of the securities shall have decreased below 125% of the Agreed Payment, Federated shall within five days of the Valuation Date deposit additional

marketable securities of a liquidation value sufficient to make up any deficit in the Escrow Fund. If the liquidation value of the securities in the Escrow Fund shall on any Valuation Date exceed 125% of the Agreed Payment, Federated shall be entitled to withdraw any such excess securities from the Escrow Fund. Federated shall be entitled to receive all income generated from the securities in the Escrow Fund and shall retain all voting rights, if any, pertaining to such securities, while they are held in escrow. State Street has no responsibility to calculate liquidation values of securities or to inform the parties with respect thereto.

(b) If Federated shall pay to FSR the Agreed Payment on or before the earlier of the sale of the Federated Boxcars to a third person or September 30, 1983, it shall certify the same to State Street and State Street shall within two business days thereafter deliver to Federated all of the securitites held in the Escrow Fund. In the event that Federated shall fail to pay to FSR the Agreed Payment on or before the earlier of the sale of the Federated Boxcars to a third person or September 30, 1983, FSR may provide State Street with a certification, with a copy to Federated, that such payment has not been made and State Street shall, within two days' notice of such certification, deliver to FSR all securities in the Escrow Fund. FSR thereafter shall be entitled to sell said securities in a commercially reasonable manner, and to apply the proceeds of any such sale, first, to the payment of costs and expenses of such sale, including

reasonable attorneys' fees; second, to the payment of the Agreed Payment; and third, to the payment of a surplus, if any, to Federated. In the event the securities are not sufficient to pay in full the Agreed Payment and all costs and expenses of collection, including reasonable attorneys' fees, Federated shall remit the balance due to FSR forthwith.

(c) Federated hereby represents and warrants that it will be the legal and equitable owner of all securities to be transferred to or substituted in the Escrow Fund, free and clear of all claims, security interests, liens and other encumbrances, and that Federated has not granted or consented to any assignment of rights in or to such securities other than pursuant to this Escrow Agreement.

2. Escrow Agent.

(a) Federated and FSR hereby appoint State Street as Escrow Agent and State Street accepts such appointment. State Street shall be responsible only for the performance of the duties and obligations set forth herein and shall not be required to take any action other than in accordance with the terms hereof. State Street has no duty to construe or interpret this document or to determine the genuineness of documents or the authority of persons executing such documents, and it may rely conclusively and shall be protected in acting upon any notice, request, consent, instruction or other instrument, believed by it in good faith to be genuine or to be signed or presented by the proper person, or duly authorized or properly made. State Street shall not be bound by any notice

or demand unless the same shall be in writing and signed by an appropriate party.

(b) State Street may, but shall be under no duty to institute or defend any legal proceedings which relate to the Escrow Fund. In performing any of its duties hereunder, State Street shall not incur any liability to anyone for any damages, losses, or expenses except for willful default or gross negligence, and it shall accordingly not incur any such liability with respect to any action taken or omitted in good faith upon advice of its counsel. In the event of any dispute, State Street shall have the right to hold all securities in the Escrow Fund until the resolution thereof or until an order of a court of competent jurisdiction.

(c) Federated and FSR, jointly and severally hereby agree to indemnify and hold harmless State Street against any and all losses, claims, damages and liabilities, including reasonable costs of investigation and counsel fees and disbursements, which may be imposed upon State Street in connection with its acceptance of appointment as Escrow Agent hereunder or the performance of its duties, hereunder, including any litigation arising from this Escrow Agreement or involving the subject matter hereof or the amounts to be transferred hereunder. State Street shall have a first lien on the Escrow Fund held by it hereunder for such amounts as it may be due under this Agreement. In all events, Federated shall be solely liable for State Street's fees.

3. Modification and Termination.

This Escrow Agreement shall not be modified in any way without the prior written consent of Federated, FSR and State Street. This Agreement can be terminated at any tme pursuant to the written request of both Federated and FSR. This Agreement shall automatically terminate when State Street shall have transferred all securities held in the Escrow Fund in accordance with the terms and conditions hereof.

4. Applicable Law.

This Escrow Agreement will be construed in accordance with the laws of the Commonwealth of Pennsylvania and by the express agreement of Federated and FSR shall be enforceable by the United States Bankruptcy Court for the Northern District of Illinois.

5. Execution.

This Escrow Agreement may be executed in counterparts.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized officers have executed this Escrow Agreement as of the day and year first above written.

ATTEST:

FEDERATED INCOME & PRIVATE PLACEMENT FUND

_____

By: _____

(Corporate Seal)

Title: _____

ATTEST:

FEDERATED HIGH INCOME SECURITIES, INC.

_____

By: _____

(Corporate Seal)

Title: _____

ATTEST:

FUNDING SYSTEMS RAILCARS, INC.

_____

By: _____

(Corporate Seal)

Title: _____

ATTEST:

STATE STREET BANK AND TRUST COMPANY

_____

By: _____

Title: _____