

Earl C. Opperthausen
Vice President & General Counsel

John C. Danielson
General Attorney

Dennis W. Krakow
Senior Trial Attorney

Robert I. Schellig, Jr.
Trial Attorney

John A. Ponitz
Trial Attorney

Mary P. Sclawy
Attorney

Christopher A. Rodgers
Attorney

2-246A070

No. _____
Date SEP 3 1982
Fee \$ 10.00

ICC Washington, D. C.



Grand Trunk Rail System

Law Department

131 West Lafayette Blvd.
Detroit, Michigan 48226
(313) 962-2260

September 1, 1982

File: 352-W

RECORDATION NO. 12589-B

Filed 1425

SEP 3 1982 - 3 PM

INTERSTATE COMMERCE COMMISSION

Mrs. Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
12th & Constitution Avenue, N.W.
Washington, D.C. 20423

RE: ICC Recordation Number 12589-A

Dear Mrs. Mergenovich:

Enclosed for recordation under Section 11303 of the Interstate Commerce Act are four counterparts of a First Amendment Dated as of August 31, 1982 to Lease of Railroad Equipment Dated as of December 9, 1980 between Westinghouse Leasing Corporation and Grand Trunk Western Railroad Company. The original lease, as restated and expanded, was filed with the Commission on October 27, 1981 as recordation number 12589-A.

The addresses of the parties to the lease and the First Amendment are:

Lessor: Westinghouse Leasing Corporation
3 Gateway Center
Pittsburgh, PA 15222

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

The equipment covered by the lease and the amendment is one hundred 50' 6" 70-ton boxcars originally bearing NSL road numbers 101100, 101101, 101103, 101108 and 101110 through 101205, inclusive, and renumbered to GTW 309700 through 309799, both inclusive.

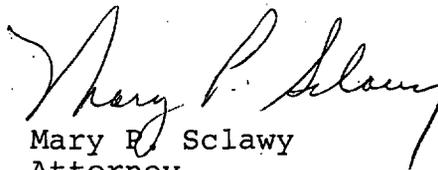
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Mrs. Agatha L. Mergenovich
September 1, 1982
Page Two

This First Amendment is a secondary document. Enclosed is our check #675 in the amount of \$10.00 for the required recordation fee. Please accept for recordation one counterpart of the enclosed First Amendment, stamp the remaining counterparts with your recordation number and return them to the undersigned at the above address.

Sincerely,



Mary P. Sclawy
Attorney

MPS/cda
Encls.

RECORDATION NO.

Filed 1425

12589-B
SEP 3 1982-3 PM

INTERSTATE COMMERCE COMMISSION

FIRST AMENDMENT

Dated as of August 31, 1982

to

LEASE OF RAILROAD EQUIPMENT

Dated as of December 9, 1980

between

WESTINGHOUSE LEASING CORPORATION,
as Lessor

and

GRAND TRUNK WESTERN RAILROAD COMPANY,
as Lessee

FIRST AMENDMENT
dated as of August 31, 1982, to
LEASE OF RAILROAD EQUIPMENT
dated as of December 9, 1980, between
WESTINGHOUSE LEASING CORPORATION
(hereinafter called the "Lessor"), and
GRAND TRUNK WESTERN RAILROAD COMPANY
(hereinafter called the "Lessee")

RECITALS:

1. The Lessor and the Lessee have entered into a Lease of Railroad Equipment dated as of December 9, 1980 (the "Lease") providing for the leasing by the Lessor to the Lessee of one hundred seventy-ton general purpose boxcars bearing Road Nos. NSL 101100, 101101, 101103, 101108 and 101110-101205, inclusive (renumbered to GTW 309700 through 309799, inclusive).

2. Pursuant to Section 4 of the Lease, the Lessee has given written notice dated June 30, 1982 to the Lessor of Lessee's election to cancel the Lease effective August 31, 1982.

3. The parties have agreed and intend that the Lease not be cancelled and continue in effect in accordance with its terms, as such terms are amended by this First Amendment.

NOW, THEREFORE, in consideration of the rentals to be paid and the covenants set forth in the Lease (as amended hereby) to be kept and performed by the Lessee, the Lessor hereby agrees to continue to lease the Units to the Lessee upon the terms and conditions set forth in the Lease (as amended hereby), and the Lessor and the Lessee hereby agree that the Lease shall be amended as hereinafter set forth.

SECTION 1. Definitions. Any word or term defined in the Lease and not herein shall have the meaning ascribed to it in the Lease.

SECTION 2. Amendment to Provision Concerning Rent. Section 3 of the Lease is hereby amended to read in its entirety as follows:

Section 3. Rent. The Lessee shall pay to the Lessor as rent for each Unit the amount per month equal to one-half (1/2) of the per diem and mileage charges collected on such Unit during such month on tracks other than those owned by the Lessee or the Detroit, Toledo and Ironton Railroad Company. Rent shall be payable promptly after each month in which it is collected until all collections are made for months during which this Lease is in effect.

PET
R.T.V.

Rent shall be settled and accounted for in accordance with standard accepted practice in the United States railroad industry for settling interchange accounts.

Notwithstanding the foregoing provisions of this Section 3, from and after the effective date of any conversion of this Lease to a long-term lease pursuant to the last paragraph of Section 4 hereof, rent for each Unit shall be payable at the times and in the amounts set forth in such paragraph of Section 4.

SECTION 3. Amendment to Provision Concerning Term of Lease, Cancellation Rights and Conversion Rights. Section 4 of the Lease is hereby amended to read in its entirety as follows:

Section 4. Term of Lease; Cancellation Rights; Conversion Rights. This Lease, as to each Unit, shall begin on the date of acceptance of such Unit by the Lessee and, subject to the provisions of Sections 2, 7, 10 and 13 hereof, shall continue in effect until August 31, 1985 unless earlier cancelled pursuant to this Section 4 or, if converted into a long-term lease pursuant to the last paragraph of this Section 4, for the term specified in such paragraph. Except for obligations of the Lessee hereunder which are specifically stated to terminate at a fixed time, the obligations of the Lessee hereunder (including, but not limited to, the obligations under Sections 6, 7, 9, 11, 14, 19 and 21 hereof) shall survive the termination of this Lease.

Unless converted to a long-term lease pursuant to the immediately succeeding paragraph of this Section 4, the Lessor may cancel this Lease with respect to all but not less than all of the Units by giving notice to the Lessee of such cancellation on August 31, 1983 or August 31, 1984 specifying the effective date of such cancellation, which may only be the date one year following the date of such notice. The right of first refusal in favor of the Lessee provided for in Section 13 hereof shall become operative upon any cancellation of this Lease pursuant to this paragraph occurring on or prior to August 31, 1985. Rent for each Unit shall continue to and include the effective date of the cancellation. In the event that (a) the Lessor cancels this Lease (as provided in this paragraph) or (b) this Lease terminates on August 31, 1985 pursuant to the first paragraph of this Section 4, Lessee agrees, at its sole cost, expense and risk, to store on its tracks all Units so cancelled for a period of up to six (6) months following the effective date of Lessor's cancellation notice or August 31, 1985, respectively. Lessee further agrees, following expiration of the

aforsaid six (6) month period, to store all Units on its tracks, and at Lessor's sole risk, for an unlimited term, provided only that Lessor pay to Lessee the sum of One Dollar (\$1.00) per day for each Unit so stored.

At any time after the execution of this Lease and prior to August 31, 1985, provided that the Lessor shall not have given notice of cancellation pursuant to the preceding paragraph of this Section 4 and that no Event of Default, or event which with notice or lapse of time, or both, would constitute an Event of Default, shall have occurred and be continuing, the Lessee shall have the option, with respect to all but not less than all of the Units delivered hereunder, exercisable by giving written notice to the Lessor, to convert this Lease into a long-term lease at a rate of Eight Hundred Sixty-Six Dollars and 88 Cents (\$866.66) per quarter per Unit, for a term of fifteen (15) years commencing upon the giving of such notice; provided, however, that the term of this Lease as so extended shall not in any case extend beyond February 1, 1999. Exercise of such option shall extinguish the rights to cancel this Lease provided in favor of the Lessor in this Section 4. Such rent shall be payable on each January 31, April 30, July 31 and October 31 during the term of the Lease as so converted. If any rent payment date is not a business day the rent otherwise payable on such date shall be payable on the next succeeding business day and no interest shall be payable for the period from and after the nominal date for payment thereof to such next succeeding business day.

SECTION 4. Amendment to Provision Concerning Reports.
Section 8 of the Lease is hereby amended by adding at the end thereof a new paragraph as follows:

Promptly after each January 31, April 30, July 31 and October 31 of each year (unless at such time this Lease has been converted into a long-term lease pursuant to the last paragraph of Section 4 hereof), the Lessee will furnish to the Lessor an accurate statement setting forth the per diem and mileage charges earned by each Unit during the quarter ending on such date. At the request of the Lessor, the Lessee will also furnish promptly after the end of each month (except as aforesaid) an accurate statement setting forth the per diem and mileage charges earned by each Unit during such month.

SECTION 5. Amendment to Provision Concerning Maintenance. The first sentence of the third paragraph of Section 9 of the Lease is hereby amended to read in its entirety as follows:

Following delivery of possession of each Unit to the Lessee and continuing until cancellation or conversion of this Lease pursuant to Section 4 hereof, the Lessee shall repair all running damage and all damage of the type includible in the AAR "defect card" procedures under which a railroad or other user delivering a car through an interchange is responsible for any such damage existing at the time of interchange; provided, however, that the cost of all repairs of such running damage shall be divided equally between the Lessor and the Lessee and the cost of all repairs of such AAR "defect card" damage shall be borne entirely by the Lessee.

SECTION 6. Amendment to Provision Concerning Right of First Refusal. Section 13 of the Lease is hereby amended by deleting the words "January 31, 1984" in the three places in which they appear and inserting in lieu thereof the words "August 31, 1985".

SECTION 7. Amendment to Provision Concerning Return of Units upon Termination. The first sentence of Section 14 of the Lease is hereby amended to read in its entirety as follows:

On or prior to the termination (including expiration or cancellation) of this Lease or as soon as practicable on or after the termination of this Lease and in any event not later than 90 days after the termination of this Lease, the Lessee will, except as hereinafter provided, at its own cost and expense, at the request of the Lessor, cause each Unit to be transported to such point or points on the Lessee's lines as shall be designated by the Lessor immediately prior to such termination and arrange for the Lessor to store such Unit on any of the Lessee's lines of railroad or premises approved by the Lessor (a) in the event of termination of this Lease other than by cancellation by the Lessor pursuant to Section 4 or by expiration on August 31, 1985, for a period commencing on the date of its arrival at any such point and extending thereafter to a date of not later than 120 days from the date at which at least 95% of such Units are first placed in storage pursuant to this Section 14, the assembly, delivery, storage and transporting of such Unit to be at the expense and risk of the Lessee, or (b) in the event of termination of this Lease by cancellation by the Lessor pursuant to Section 4 or by expiration on August 31, 1985, for the periods and at the expense and risk of the respective parties, all as set forth in the second paragraph of Section 4; provided, however, that if the lines designated by the Lessor for such storage are lines other than the Lessee's lines, the cost of using such lines shall be at the Lessor's expense.

SECTION 8. Amendment to Provision Concerning Notices.
Section 20 of the Lease is hereby amended by deleting the following words:

if to the Lessor, at Three Gateway Center,
Pittsburgh, Pennsylvania 15222, Attention: Manager
Lease Operations

and inserting in lieu thereof the following words:

if to the Lessor, at One Oxford Center,
Pittsburgh, Pennsylvania 15219, Attention: Vice
President - Leveraged Leasing.

SECTION 9. Addition of Provision Concerning Intention of Parties and Effect of Amendment. The Lease is hereby amended by adding immediately after Section 24 a new Section 25 as follows:

SECTION 25. Intention of Parties; Effect of Amendment. The parties have entered into this Lease on the understanding that, at all times prior to the expiration or cancellation hereof or conversion to a long-term lease pursuant to Section 4 hereof, the Lessee shall not discriminate against the Units with respect to the placement in interchange service of boxcars owned or leased by the Lessee.

Whenever the term "Lease" appears herein, such term shall be deemed to mean the Lease of Railroad Equipment dated as of December 9, 1980, between the Lessor and the Lessee as amended by the First Amendment dated as of August 31, 1982.

SECTION 10. Recording. The Lessee at its own expense will cause this First Amendment to be filed and recorded with the Interstate Commerce Commission in accordance with 49 U.S.C. § 11303.

SECTION 11. Miscellaneous. This First Amendment shall be governed by the laws of the State of Michigan; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303. This First Amendment constitutes as of the date hereof the only amendment to the Lease. The

Lessor and the Lessee confirm that the Lease, as amended hereby, remains in effect on the date hereof.

IN WITNESS WHEREOF, the parties have executed this instrument as of the date first above written.

WESTINGHOUSE LEASING
CORPORATION, as Lessor

By R.T. Jackson

VICE PRESIDENT
GRAND TRUNK WESTERN RAILROAD
COMPANY, as Lessee

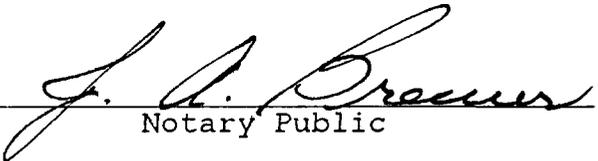
By P.S. [Signature]

STATE OF MICHIGAN)
) ss:
COUNTY OF WAYNE)

On this 27th day of August, 1982, before me personally appeared P. E. Tatro to me personally known, who, being by me duly sworn, says that he is Vice President of GRAND TRUNK WESTERN RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[NOTARIAL SEAL]

My Commission Expires:


Notary Public

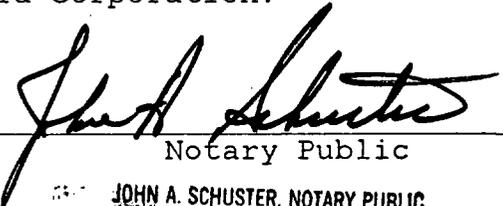
J. A. BREWER
Notary Public, Wayne County, MI
My Commission Expires Nov. 9, 1985

COMMONWEALTH OF PENNSYLVANIA)
) ss:
COUNTY OF ALLEGHENY)

On this 24 day of August, 1982, before me personally appeared R. T. Jackson to me personally known, who, being by me duly sworn, says that he is Vice President of WESTINGHOUSE LEASING CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[NOTARIAL SEAL]

My Commission Expires:


Notary Public

JOHN A. SCHUSTER, NOTARY PUBLIC
PITTSBURGH, ALLEGHENY COUNTY
MY COMMISSION EXPIRES OCT. 3, 1983
Member, Pennsylvania Association of Notaries