

DEC 19 1980 12 35 PM



INTERSTATE COMMERCE COMMISSION

**INA Capital Advisors, Inc.**

Three Parkway P. O. Box 8087 Philadelphia PA 19101  
215 241 2800

**0-354A005**

December 18, 1980

No. \_\_\_\_\_  
Date **DEC 19 1980**  
Fee \$ 50.<sup>00</sup>  
ICC Washington, D. C.

Secretary of the  
Interstate Commerce  
Commission  
Washington, D. C. 20423

DEC 19 12 29 PM '80  
DOCKET FILES  
BRANCH

RE: INA Life Insurance Company and  
Investors Life Insurance Company of North America  
(collectively, Vendor) and Railbox Company (Vendee) -  
Conditional Sale Agreement

Dear Sir:

This letter is intended to constitute a letter of transmittal with respect to the Conditional Sale Agreement described below, an original and two certified true copies of which are being filed hereby with the Interstate Commerce Commission pursuant to 49 U.S.C. Para. 11303. As the Assistant Vice President of INA Capital Advisors, Inc., the corporation which executed the Conditional Sale Agreement described below on behalf of and as agent for the Vendor, I am familiar with the matters set forth in this letter.

The following is the information required by 49 CFR Para. 1116.4.

Vendor: INA Life Insurance Company (a California corporation) and Investors Life Insurance Company of North America (a Pennsylvania corporation) care of INA Capital Advisors, Inc. 3 Parkway, P. O. Box 8087, Philadelphia, Pennsylvania 19101; Attention: Richard B. McGauley

Vendee: Railbox Company (a Delaware corporation) 101 Wacker Drive, Chicago, Illinois, 60606, Attention: Vice President-Finance

The general description of the equipment covered by the Lease and Indenture is as follows:

154 (one hundred fifty four) 50 foot, 6 inch, 70 ton, outside stakes type railroad boxcars manufactured by National Railway Utilization Corporation bearing the identification numbers NSL 100700 through NSL 100853, inclusive.

*Countersignature - Elizabeth R. Reardon*

The original Conditional Sale Agreement should be returned to:

Frederick D. Lipman, Esquire  
Blank, Rome, Comisky & McCauley  
Four Penn Center Plaza, 12th Floor  
16th St. and John F. Kennedy Boulevard  
Philadelphia, Pennsylvania 19103

Very truly yours,

Richard B. McCauley

Richard B. McCauley  
Assistant Vice President  
INA Capital Advisors, Inc.

RBM/dm

DEC 19 1980 - 12 35 PM

INTERSTATE COMMERCE COMMISSION

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CONDITIONAL SALE AGREEMENT

Dated as of November 15, 1980

between

INA LIFE INSURANCE COMPANY

and

INVESTORS LIFE INSURANCE COMPANY OF NORTH AMERICA

and

RAILBOX COMPANY

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Filed with the Interstate Commerce Commission pursuant to 49  
U.S.C. §11303 on December 19, 1980 at recordation number

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INTERSTATE COMMERCE COMMISSION

CONDITIONAL SALE AGREEMENT dated as of November 15, 1980, between INA Life Insurance Company, a California corporation, and Investors Life Insurance Company of North America, a Pennsylvania corporation (collectively or severally the "Vendor", as the context may require), and Railbox Company, a Delaware corporation ("Vendee").

WHEREAS, pursuant to the terms of a Used Equipment Purchase Agreement dated as of November 15, 1980, Vendor has sold and Vendee has purchased Equipment (as hereinafter defined) described in Schedule A to this Agreement. Vendor and Vendee are entering into this Agreement to provide for, among other things, Vendee's payment for the Equipment and a security interest in Vendor's favor until the Equipment's Purchase Price (as hereinafter defined) has been paid.

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth and intending to be legally bound, the parties hereto do hereby agree as follows:

ARTICLE 1. Certain Definitions. The term "Vendor", whenever used in this Agreement, means, the respective corporations ~~named~~ <sup>named</sup> properties and businesses <sup>above</sup> as Vendor and any successor or successors.

The term "Officer's Certificate" as used in this Agreement shall mean a certificate signed by the President, any Vice President, the Controller, the Secretary, any Assistant Secretary, the Treasurer or any Assistant Treasurer of the Vendee, and the term "Request" shall mean a written request for the action therein specified, delivered to the Vendor, dated not more than 10 days prior to the date of delivery to the Vendor and signed on behalf of the Vendee by the President, any Vice President, the Controller, the Secretary, any Assistant Secretary, the Treasurer or any Assistant Treasurer of the Vendee.

The term "Equipment" shall mean the units of railroad cars listed in Schedule A to this Agreement as this Schedule may be amended under the terms of this Agreement and the Used Equipment Purchase Agreement to reflect deletions or exclusions of units under the Used Equipment Purchase Agreement or the substitution of units under this Agreement.

ARTICLE 2. Sale. Pursuant to the Used Equipment Purchase Agreement and this Agreement, Vendor is selling at private foreclosure sale and Vendee is purchasing and paying for the Equipment.

ARTICLE 3. Delivery. Delivery of the Equipment is being made in accordance with the terms of the Used Equipment Purchase Agreement.

ARTICLE 4. Purchase Price and Payment. For the purposes of this Agreement the following terms shall have the following meanings unless the context clearly provides to the contrary.

"Business Day" shall mean calendar days, excluding Saturdays, Sundays, and any other day on which banking institutions in Philadelphia, Pennsylvania, Chicago, Illinois or New York, New York, are authorized or obligated to remain closed.

"CSA Indebtedness" shall mean all sums due under subparagraphs (a), (b) and (c) of this Article plus any and all other sums due to Vendor from Vendee pursuant to and under the provisions of this Agreement.

"Purchase Price" shall mean the total aggregate of all Unit Prices (as hereinafter defined) listed in Schedule B.

"Unit Price" shall mean the amount which Vendee is obligated to pay for a unit of Equipment under the terms of the Used Equipment Purchase Agreement; the Unit Price for each Unit is listed on Schedule B hereto subject to decrease for the cost of any repairs which Vendee is to pay under Section 8 of the Used Equipment Purchase Agreement, Schedule B shall be amended to reflect any such decrease.

The Vendee hereby acknowledges itself to be indebted to the Vendor in the amount of, and hereby promises to pay in cash to the Vendor at such place as the Vendor may designate, the Purchase Price plus interest thereon as follows:

a. On June 1, 1981, an amount equal to interest (computed on the basis of a 360-day year of twelve 30-day months) on the Unit Price of each unit of Equipment from the date of delivery of each unit (as reflected in each unit's Certificate of Acceptance given under the terms of the Used Equipment Purchase Agreement) to, but not including, June 1, 1981 at the rate of 12% per annum (the "Interim Interest").

b. In thirty (30) consecutive equal semi-annual installments, the Purchase Price shall be paid on the dates as hereinafter provided.

81  
15  
96

c. Together with each consecutive semi-annual installment of Purchase Price, an amount equal to the then accrued interest, at the rate of 12% per annum, on the outstanding Purchase Price, computed on the basis of a 360-day year of twelve 30-day months, such interest to commence accrual on June 1, 1981.

The installments of the Purchase Price and interest payable pursuant to subparagraphs (b) and (c) of the preceding paragraph of this Article 4 shall be payable semi-annually on June 1 and December 1 in each year commencing on December 1, 1981 and with the last installment being on June 1, 1996, or, if any such date is not a Business Day, on the next Business Day.

The Vendee will pay, to the extent legally enforceable, interest at the rate of 13% per annum upon all amounts remaining unpaid after the same shall have become due and payable pursuant to the terms hereof, anything herein to the contrary notwithstanding.

All payments provided for in this Agreement shall be made in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

Except as provided in Article 8 hereof, the Vendee shall not have the privilege of prepaying any installment of Purchase Price hereunder prior to the date it becomes due.

In the event the Vendor, pursuant to Article 14 hereof, assigns the right to receive the payments herein provided to be made by the Vendee, the assignee thereof may request the Vendee to make and the Vendee shall make such payments to it at such address as shall be supplied to the Vendee by the assignee.

In the event Vendee shall suffer the loss of possession of any unit or units of Equipment subject to this Agreement because the failure of the Vendor to fulfill its obligations hereunder or under the Used Equipment Purchase Agreement dated as of November 15, 1980 among Vendee and INA Life Insurance Company of North America and Investors Life Insurance Company of North America, all payments with respect to such unit or units of Equipment of principal, interest, or otherwise shall be suspended during the period possession is lost to Vendee and if such loss shall be permanent, such unit or units of the Equipment shall be excluded herefrom and all payments of principal, interest or otherwise made by Vendee shall be returned to it.

ARTICLE 5. Taxes. All payments to be made by the Vendee hereunder will be free of expense to the Vendor for collection or other charges and will be free of expense to the Vendor with respect to the amount of any local, state, Federal or foreign taxes (other than net income, gross receipts [except gross receipts taxes in the nature of or in lieu of sales or use taxes], excess profits and similar taxes) or license fees, assessments, charges, fines or penalties hereafter levied or imposed upon or in connection with or measured by, this Agreement or any sale, use, payment, shipment, delivery or transfer of title under the terms hereof (all such expenses, taxes, license fees, assessments, charges, fines and penalties being hereinafter called "impositions"), all of which impositions the Vendee assumes and agrees to pay on demand. The Vendee will also pay promptly all impositions which may be imposed upon the Equipment delivered to it or for the use or operation thereof or upon the earnings arising therefrom or upon the Vendor solely by reason of its interest therein and will keep at all times all and every part of the Equipment free and clear of all impositions which might in any way affect the security interest of the Vendor or result in a lien upon any part of the Equipment; provided, however, that the Vendee shall be under no obligation to pay any impositions of any kind so long as it is contesting in good faith and by appropriate legal proceedings such impositions and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the interest or rights of the Vendor in or to the Equipment or otherwise under this Agreement. If any such impositions shall have been charged or levied against the Vendor directly and paid by the Vendor, the Vendee shall reimburse the Vendor upon presentation of an invoice therefor, and any amounts so paid by the Vendor shall be secured by and under this Agreement; provided, however, that the Vendee shall not be obligated to reimburse the Vendor for any impositions so paid unless the Vendor shall have been legally liable with respect thereto (as evidenced by an opinion of counsel for the Vendor) or unless the Vendee shall have approved the payment thereof.

ARTICLE 6. Security Interest in the Equipment. The Vendor shall and hereby does retain a security interest in the Equipment until the Vendee shall have made all its payments under this Agreement and shall have kept and performed all its agreements herein contained, notwithstanding the delivery of the Equipment to and the possession and use thereof by the Vendee as provided in this Agreement. Any and all additions to the Equipment and any and all replacements of the Equipment and of parts thereof and additions thereto shall constitute accessions to the Equipment and shall be included in the term "Equipment" as used in this Agreement, but the term "Equipment" as used in this Agreement shall not

include any special devices, racks or assemblies at any time attached to any unit of Equipment, ~~or~~ the title to which is in a person other than the Vendee. The Vendee and the Vendor recognize that such special devices, racks and other assemblies may be attached to the Equipment and may be owned and financed by persons other than the Vendee. The Vendor expressly acknowledges, for the purpose of assurance of any such persons and for the purpose of inducing attachment of such special devices, racks and other assemblies to the Equipment, that the Vendor has no rights therein and that such persons may, at their own cost and expense, upon written notice to the Vendee and the Vendor, remove such special devices, racks and other assemblies from the Equipment.

Except as otherwise specifically provided in Article 8 hereof, when and only when the full CSA Indebtedness and all other payments as herein provided shall have been paid, and all the Vendee's obligations herein contained shall have been performed by the Vendee, absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Vendee without further transfer or action on the part of the Vendor. However, the Vendor, upon receipt of a Request at that time, will (a) execute a bill or bills of sale for the Equipment transferring and releasing its interest therein to the Vendee, or upon its order, free of all claims, liens, security interests and other encumbrances created or retained hereby and deliver such bill or bills of sale to the Vendee, (b) execute and deliver, for filing, recording or depositing in all necessary public offices, such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the release of the security interest of the Vendor in the Equipment and (c) pay to the Vendee any money paid to the Vendor pursuant to Article 8 hereof and not theretofore applied as therein provided. The Vendee hereby waives and releases any and all rights, existing or that may be acquired, in or to the payment of any penalty, forfeit or damages for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file any certificate of payment in compliance with any law or statute requiring the filing of the same, except for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file such certificate within a reasonable time after receipt of a Request.

ARTICLE 7. Marking of the Equipment. The Vendee will cause each unit of the Equipment to be kept numbered with its identifying number as set forth in Schedule A hereto, or in the case of Equipment not there listed such identifying number as shall be set forth in any amendment or supplement hereto extending this Agreement to cover such Equipment, and will keep and maintain, plainly, distinctly,

permanently and conspicuously marked on each side of each unit, in letters not less than one inch in height, the words "OWNERSHIP SUBJECT TO A SECURITY AGREEMENT FILED WITH THE INTERSTATE COMMERCE COMMISSION, 49 U.S.C. §11303" or other appropriate markings approved by the Vendor with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Vendor's interest in the Equipment and its rights under this Agreement. The Vendee will not place any such unit in operation or exercise any control or dominion over the same until such markings have been made thereon and will replace promptly any such markings which may be removed, defaced, obliterated or destroyed. The Vendee will not change the number of any unit of the Equipment except in accordance with a statement of new number or numbers to be substituted therefor, which statement previously shall have been filed with the Vendor by the Vendee and filed, recorded and deposited by the Vendee in all public offices where this Agreement shall have been filed, recorded and deposited.

The Equipment may be lettered "Railbox Company" or in some other appropriate manner for convenience of identification of the interest of the Vendee therein, and may also be lettered, in case of a lease of any Equipment made pursuant to Article 11 hereof, in such manner as may be appropriate for convenience of identification of the leasehold interest therein; but the Vendee, so long as the Equipment is subject to this Agreement, will not allow the name of any person, firm, association or corporation to be placed on any of the Equipment as a designation which might be interpreted as a claim of ownership thereof by the Vendee or by any person, firm, association or corporation other than the Vendor.

ARTICLE 8. Substitution and Replacement; Maintenance; Casualty Occurrences; Investments; Insurance. (A) Upon Request, the Vendor shall, at any time and from time to time, execute and deliver a bill of sale assigning and transferring to the transferee named by the Vendee all the right, title and interest of the Vendor in and to any or all of the units of Equipment or Components (as hereinafter defined in this Article 8); provided, however, that none of the units of Equipment or Components shall be so assigned or transferred unless simultaneously (a) there shall be paid to the Vendor cash in an amount not less than the Value (as hereinafter defined in this Article 8), as of the date of such Request, of the units of Equipment or Components to be assigned or transferred by the Vendor or (b) there shall be conveyed to the Vendor at the time of assignment or transfer of any units of Equipment, other units of Equipment of a Value which when added to any cash paid to the Vendor at the time of assignment or transfer shall aggregate not less than

the Value as of the date of such Request of the units of Equipment to be assigned or transferred or (c) there shall be conveyed to the Vendor at the time of assignment or transfer of any Components, either other Components (which shall be affixed by the Vendee to units of Equipment) or units of Equipment, or both, of a Value which when added to any cash paid to the Vendor at the time of assignment or transfer shall aggregate not less than the Value as of the date of such request of the Components to be assigned or transferred; and provided, further, that no Components shall be removed from any unit of Equipment, or a substitution of Components made, if such removal, or removal and substitution, will impair the use in the business of the Vendee of such unit of Equipment; and provided, further, that no substitution contemplated under this subdivision (A) shall be made if an event of default under this Agreement is then in effect or if the Value of Equipment and Components to be transferred by the Vendor, together with the Value of Equipment and Components theretofore transferred by the Vendor pursuant to this subdivision (A), shall exceed an amount equal to 20% of the aggregate principal amount of Purchase Price originally incurred pursuant to Article 4 hereof, unless written consent to make such substitution is obtained from the Vendor. For the purposes of this Article 8 the term "Equipment" means complete units of standard-gauge railroad boxcars (other than work equipment) and any special other components (herein called "Components"). The term "unit" when used with reference to Equipment being deemed to mean, however, a complete unit of railroad rolling stock.

At the time of delivery of any Request pursuant to the preceding paragraph, the Vendee shall, if other Equipment is to be conveyed to the Vendor in substitution for the Equipment to be assigned or transferred by the Vendor, deliver to the Vendor the following papers:

- (1) an Officer's Certificate stating (i) the Value, as of the date of said Request, of the Equipment so to be assigned or transferred by the Vendor and the date such Equipment was first put into use (or that such Equipment was first put into use not later than a specified date), (ii) that such assignment or transfer will not impair the security under this Agreement in contravention of the provisions hereof, (iii) the Value to the Vendee of such substituted Equipment as of such date and the date such Equipment was first put into use (or that such Equipment was first put into use not later than a specified date), and that such substituted Equipment has an expected useful life extending beyond the scheduled date for payment of the last installment of the CSA Indebtedness, (iv) if such substitution consists of one or more Components, that each such Component is to be substituted on a specified unit of the Equipment subject to this Agreement for another

Component used for the same purpose concurrently being removed from such unit and assigned or transferred by the Vendor hereunder, (v) that each unit of Equipment so to be substituted has been marked as provided in Article 7 hereof, (vi) that each such unit so to be substituted is Equipment as herein defined, and (vii) that no event of default hereunder has occurred and is continuing;

(2) if Equipment is conveyed to the Vendor, certificates of acceptance and invoices and bill or bills of sale conveying good and marketable title to the Vendor from the owner or manufacturer of such Equipment; and

(3) an opinion of counsel for the Vendee to the effect that (i) such bill or bills of sale are valid and effective, either alone or together with any other instruments referred to in and accompanying such opinion, to vest in the Vendor title to such Equipment conveyed to the Vendor free from all claims, liens, security interests and other encumbrances other than the rights of the Vendee hereunder and (ii) that a proper supplement hereto in respect of any units of Equipment conveyed to the Vendor has been duly executed and has been filed with the Interstate Commerce Commission pursuant to 49 U.S.C. §11303.

At the time of delivery of any Request pursuant to the first paragraph of this subdivision (A), the Vendee shall, if cash is to be paid to the Vendor in respect of the Equipment to be assigned or transferred by the Vendor, deliver to the Vendor an Officer's Certificate to the effect set forth in items (i), (ii) and (vii) of subparagraph (1) of the preceding paragraph.

Cash deposited with the Vendor pursuant to this subdivision (A), subdivision (B) of this Article 8 shall, from time to time, be paid over by the Vendor to the Vendee upon Request, against conveyance to the Vendor of units of Equipment or Components having a Value, as of the date of said Request, not less than the amount of cash so paid, and upon compliance by the Vendee with all of the provisions of the second paragraph of this subdivision (A) insofar as they relate to the action requested.

For all purposes of this Article 8, Value shall be determined as follows (and the manner of such determination shall be set forth in each Officer's Certificate furnished in respect thereof):

(1) the Value of any Equipment assigned or transferred by the Vendor shall be deemed to be the greater of (a)

the actual fair value thereof and (b) the original Unit Price thereof less depreciation at a rate not in excess of 1/15th of such Unit Price thereof for each period of one year between the date as of which Value is to be determined and the later of (i) a date one year prior to the scheduled date of payment of the first installment of the Purchase Price, or (ii) the date such Equipment was first put into use by Vendee; and

(2) the Value of any equipment conveyed to the Vendor shall be deemed to be the lesser of (a) the actual fair value thereof and (b) the original purchase price of such Equipment less depreciation at a rate not less than 1/15th of such purchase price for each period of one year elapsed between the date such Equipment was first put into use and the date as of which Value is to be determined;

(B) The Vendee shall maintain, service and repair, overhaul and test the Equipment at its own expense so as to keep every unit of Equipment subject to the Conditional Sale Agreement in good operating condition, ordinary wear and tear alone excepted, unless and until it becomes worn out, unsuitable for use, stolen, lost, destroyed or taken or requisitioned by condemnation or otherwise ("Casualty Occurrence"). Whenever any Equipment shall suffer a Casualty Occurrence the Vendee shall, within 30 days after it shall have been informed of such Casualty Occurrence, deliver to the Vendor an Officer's Certificate describing such Equipment and stating the Value thereof as of the date such Equipment suffered such Casualty Occurrence. When the total Value of all Equipment having suffered a Casualty Occurrence (exclusive of Equipment having suffered a Casualty Occurrence in respect of which a payment shall have been made to the Vendor pursuant to this subdivision (B)), shall amount to \$250,000 (or such lesser amount as the Vendee may elect), the Vendee, within 30 days of such event, shall deposit with the Vendor an amount in cash equal to the Value of such Equipment as of the date of the Casualty Occurrence in respect thereof.

The rights and remedies of the Vendor to enforce or to recover the payments required to be made pursuant to this Agreement in respect of the CSA Indebtedness or interest thereon shall not be affected by reason of any Casualty Occurrence. Cash deposited with the Vendor pursuant to this subdivision (B) shall, at the option of the Vendee evidenced by a Request delivered to the Vendor, (1) be held and applied as provided in the fourth paragraph of subdivision (A) of this Article 8, or (2) to prepay installments of CSA Indebtedness on an installment date therefor (such prepayment to be applied to reduce each installment thereafter falling due pro rata).

In order to facilitate the sale or other disposition of any Equipment suffering a Casualty Occurrence, the Vendor shall, upon request of the Vendee, after payment by the Vendee of a sum equal to the Value of such Equipment, execute and deliver to the Vendee or the Vendee's assignee or nominee, a bill of sale (without warranties) for such Equipment, and such other documents as may be required to release such Equipment from the terms and scope of this Agreement, in such form as may be reasonably requested by the Vendee.

(C) So long as no event of default shall have occurred and be continuing, any money paid to the Vendor pursuant to this Article 8 shall, if the Vendee shall by a Request so direct, be invested, pending its application as hereinabove provided, in such of the following as may be specified in such written direction: (i) direct obligations of the United States of America or obligations for which the full faith and credit of the United States is pledged to provide for the payment of principal and interest, (ii) open market commercial paper rated within the two highest grades by Standard & Poor's Corporation or by NCO/Moody's Commercial Paper Division of Moody's Investors Service, Inc., or the successor of either of them, or (iii) certificates of deposit of domestic commercial banks in the United States of America having total assets in excess of \$1,000,000,000, in each case maturing in not more than one year from the date of such investment (such investments being herein called "Investments"). Any such Investments shall from time to time be sold and the proceeds reinvested in such Investments as the Vendee may by Request direct. Any interest received by the Vendor on any Investments shall be held by the Vendor and applied as hereinafter provided. Upon any sale or the maturity of any Investments, the proceeds thereof, plus any interest received by the Vendor thereon, up to the cost (including accrued interest) thereof, shall be held by the Vendor for application pursuant to this Article 8, and any excess shall be paid to the Vendee. If such proceeds (plus such interest) shall be less than such cost, the Vendee will promptly pay to the Vendor an amount equal to such deficiency. The Vendee will pay all expenses incurred by the Vendor in connection with the purchase and sale of Investments.

If any unit of the Equipment is removed for repairs other than running repairs or becomes unsuitable or not necessary for continued use by the Vendee in its business or operations, such occurrence shall, upon the election of the Vendee evidenced by a Request, constitute a Casualty Occurrence subject to the provisions of this Article 8; provided, however, that the Vendee shall direct any money paid to the Vendor in respect thereof to be applied only toward the cost of replacement equipment and not to prepay any installment of Purchase Price.

(D) Notwithstanding anything to the contrary contained in this Article 8, if one or more events of default shall have occurred and be continuing, all money held by the Vendor pursuant to this Article 8 (including, for this purpose, Investments) shall be applied by the Vendor as if such money were money received upon the sale of Equipment pursuant to Article 16 hereof.

(E) The Vendee shall at all times while the Conditional Sale Agreement is in effect maintain or cause to be maintained, at its own expense, property and casualty insurance in respect of the units of Equipment at the time subject hereto, at least in amounts and against risks customarily insured against by railroad companies on similar equipment owned by them and in amounts and against risks customarily insured against by the Purchaser on similar equipment owned by it.

ARTICLE 9. Compliance with Laws and Rules. During the term of this Agreement, the Vendee will at all times comply, and cause every lessee or user of the Equipment to comply, in all respects (including, without limitation, with respect to the use, maintenance and operation of the Equipment) with all laws of the jurisdictions in which its or such lessee's or user's operations involving the Equipment may extend, with the Interchange Rules of the Association of American Railroads and with all lawful rules of the Department of Transportation, Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Equipment, to the extent that such laws and rules affect the title, operation or use of the Equipment, and in the event that such laws or rules require any alteration or replacement of or addition to any part on any unit of the Equipment, the Vendee will conform therewith, at its own expense; provided, however, that the Vendee may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor under this Agreement.

ARTICLE 10. Reports and Inspections. On or before April 1 in each year, commencing with the year 1981, the Vendee shall furnish to the Vendor an Officer's Certificate (a) setting forth as at the preceding December 31 the amount, description and numbers of all units of the Equipment that have suffered a Casualty Occurrence during the preceding 12 months (or since the date of this Agreement in the case of the first such statement) or that have been withdrawn from use pending repairs (other than running repairs) and such other information regarding the condition and state of repair of the Equipment as the Vendor may reasonably request

and (b) stating that, in the case of all Equipment repaired or repainted during the period covered by such statement, the numbers and markings required by Article 7 hereof have been preserved or replaced. The Vendor shall have the right, by its agents, to inspect the Equipment and the Vendee's records with respect thereto at such reasonable times as the Vendor may request during the term of this Agreement; provided, however, that the Vendee shall not be obligated to interrupt the use of any unit in normal operations nor shall the Vendee be liable for any injury to, or the death of, any agent or employee of the Vendor incurred while exercising any such right to inspect the Equipment under the preceding provision of this sentence.

The Vendee shall also furnish to the Vendor promptly upon transmission thereof, copies of all material, regular and periodic reports of the Vendee and Trailer Train Company, if any, furnished to the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, and Vendee and Trailer Train Company published reports, if any, to its stockholders and Vendee's Annual Financial Statement, certified by independent public accountants.

ARTICLE 11. Possession and Use. The Vendee, so long as an event of default shall not have occurred and be continuing hereunder, shall be entitled, from and after delivery of the Equipment by Vendor to the Vendee, to the possession of the Equipment and the use thereof and also to lease the Equipment to, or to permit its use under the terms of car contracts by, a lessee or user incorporated in the United States of America (or any state thereof or the District of Columbia), in Mexico (or any State or the Federal District thereof) or in the Dominion of Canada (or any Province or Territory thereof), upon lines of railroad owned or operated by such lessee or user, or over which such lessee or user has trackage right or rights for operation of its trains, and upon connecting and other carriers in or between the United States, Mexico or Canada in the usual interchange of traffic, but only upon and subject to all the terms and conditions of this Agreement; provided that, if the Vendee leases or permits the use of the Equipment in Canada (or any Province or Territory thereof) or in Mexico (or any state or the Federal District thereof), the Vendee shall, except as otherwise provided in Article 18 hereof, first have (a) taken all necessary action to protect the right, title and interest of the Vendor in the Equipment to be so leased or used and (b) furnished the Vendor with an opinion of Canadian or Mexican counsel, as the case may be, satisfactory to the Vendor to the effect that such action is all that is necessary to protect the right, title and interest of the Vendor in such Equipment.

Any such lease may provide that the lessee, so long as it shall not be in default under such lease, shall be entitled to the possession of the Equipment included in such lease and the use thereof subject to the rights and remedies of the Vendor in respect of the Equipment covered by such lease upon the occurrence of an event of default hereunder; and, subject to the provisions of Article 7 hereof, may provide for lettering or marking upon such Equipment for convenience of identification of the leasehold interest of such lessee therein. Every such lease shall subject the rights of the lessee under such lease to the rights of the Vendor in respect of the Equipment covered by such sublease in the event of the happening of an event of default hereunder. A copy of the form of each sublease (and of each amendment thereto, if any) shall promptly be filed with the Vendor.

ARTICLE 12. Prohibition Against Liens. The Vendee will pay or discharge any and all sums claimed by any party from, through or under the Vendee or its successors or assigns which, if unpaid, might become a lien, charge or security interest on or in the Equipment, or any unit thereof, equal or superior to the Vendor's interest therein; provided, however, that the Vendee shall be under no obligation to pay or discharge any such claim so long as it is contesting in good faith and by appropriate legal proceedings such claim and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor in or to the Equipment or otherwise under this Agreement. Any amounts paid by the Vendor in discharge of liens, charges or security interests upon the Equipment shall be secured by and under this Agreement.

This covenant will not be deemed breached by reason of liens for taxes, assessments or governmental charges or levies, in each case not due and delinquent, or undetermined or inchoate materialmen's, mechanics', workmen's, repairment's or other like liens arising in the ordinary course of business and, in each case, not delinquent.

ARTICLE 13. Vendee's Indemnities. The Vendee will indemnify, protect and hold harmless the Vendor from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including counsel fees, arising out of any infringement of patents or other rights, retention by the Vendor of a security interest in the Equipment, the use and operation thereof by the Vendee during the period when said security interest remains in the Vendor or the transfer of said security interest in the Equipment by the Vendor pursuant to any of the provisions of this Agreement.

ARTICLE 14. Assignments. The Vendee will not sell, assign, transfer or otherwise dispose of its rights under this Agreement or, except as provided in Article 11 hereof, transfer the right to possession of any unit of the Equipment without first obtaining the written consent of the Vendor.

All or any of the rights, benefits and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Vendee, may be assigned by the Vendor and reassigned by any assignee at any time or from time to time. No such assignment shall subject any assignee to or relieve the Vendee of any of its obligations.

Upon any such assignment either the assignor or the assignee shall give written notice to the Vendee, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all the assignor's right, title and interest in and to the Equipment and this Agreement, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Vendee of the notification of any such assignment, all payments thereafter to be made by the Vendee under this Agreement to the Vendor shall, to the extent so assigned, be made to the assignee in such manner as it may direct.

The Vendee expressly represents, for the purpose of assurance to any person, firm, or corporation considering the acquisition of this Agreement or of all or any of the rights of the Vendor hereunder and for the purposes of inducing such acquisition, that in the event of such assignment by the Vendor as hereinbefore provided, the rights of such assignee to the entire unpaid indebtedness in respect of the Purchase Price of the Equipment or such part thereof as may be assigned, together with interest thereon, as well as any other rights hereunder which may be so assigned, shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever arising out of any breach of any obligation of Vendor with respect to the Equipment Vendor or the delivery or warranty thereof, or with respect to any indemnity herein contained, nor subject to any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Vendee by the Vendor. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Vendee against and only against the Vendor.

If Vendor assigns this Agreement, Vendee shall acknowledge this assignment within 5 business days of being notified in writing of the assignment.

ARTICLE 15. Defaults. In the event that any one or more of the following events of default shall occur and be continuing, to wit:

(a) the Vendee shall fail to pay in full any indebtedness in respect of the Purchase Price of the Equipment as provided in this Agreement or shall fail to pay in full any other sum payable by the Vendee as provided in this Agreement within 10 days after the same shall have become due and payable; or

(b) the Vendee shall, for more than 30 days after the Vendor shall have demanded in writing performance thereof, fail or refuse to comply with any covenant, agreement, term or provision of this Agreement, or of any agreement entered into concurrently herewith relating to the financing of the Equipment, on its part to be kept or performed or to make provision satisfactory to the Vendor for such compliance; or

(c) any proceeding shall be commenced by or against the Vendee for any relief which includes, or might result in, any modification of the obligations of the Vendee hereunder under any bankruptcy or insolvency law, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustment of such obligations), and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Vendee under this Agreement shall not have been and shall not continue to have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed (whether or not subject to ratification) for the Vendee or for its property in connection with any such proceeding in such manner that such obligations shall have the same status as expenses of administration and obligations incurred by such trustee or trustees or receiver or receivers, within 60 days after such proceeding shall have been commenced; or

(d) the Vendee shall make or suffer any unauthorized assignment or transfer of this Agreement or any interest herein or any unauthorized transfer of the right to possession of any unit of the Equipment;

then at any time after the occurrence of such an event of default the Vendor may, upon written notice to the Vendee and upon compliance with any mandatory legal requirements then in force and applicable to such action by the Vendor, declare ("Declaration of Default") the entire CSA Indebtedness immediately due and payable, without further demand, and thereafter the CSA Indebtedness shall bear interest from the date of such Declaration of Default at the rate per annum specified in Article 4 hereof as being applicable to amounts remaining unpaid after becoming due and payable, to the extent legally enforceable. The Vendor shall thereupon be entitled to recover judgment for the entire unpaid balance of the CSA Indebtedness so payable, with interest as aforesaid, and to collect such judgment out of any property of the Vendee wherever situated. The Vendee shall promptly notify the Vendor in writing of any event which has come to its attention which constitutes, or which with the giving of notice and/or lapse of time could constitute, an event of default hereunder and of what action, if any, the Vendee has taken or proposes to take to remedy such event of default or event.

The Vendor may at its election waive any such event of default and its consequences and rescind and annul any Declaration of Default by notice to the Vendee in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such event of default had occurred and no Declaration of Default had been made. Notwithstanding the provisions of this paragraph, it is agreed by the Vendee that time is of the essence of this Agreement and that no such waiver, rescission or annulment shall extend to or affect any other or subsequent default or impair any rights or remedies consequent thereon.

ARTICLE 16. Remedies. At any time during the continuance of a Declaration of Default, the Vendor may, subject to compliance with any mandatory legal requirements then in force and applicable to the action to be taken by the Vendor, take or cause to be taken by its agent or agents immediate possession of the Equipment, or one or more of the units thereof, without liability to return to the Vendee any sums theretofore paid and free from all claims whatsoever, except as hereinafter in this Article 16 expressly provided, and may remove the same from possession and use of the Vendee or any other person and for such purpose may enter upon the Vendee's premises or any other premises where the Equipment may be located (without judicial process if this can be done without breach of the peace) and may use and employ in connection with such removal any supplies, services and aids and any available trackage and other facilities or means of the Vendee.

In case the Vendor shall demand possession of the Equipment pursuant to this Agreement and shall designate a reasonable point or points for the delivery of the Equipment to the Vendor, the Vendee shall, at its own expense and risk:

(a) forthwith and in the usual manner (including, but not by way of limitation, causing prompt telegraphic and written notice to be given to the Association of American Railroads and all railroads which may have possession of any unit or units of the Equipment to return the unit or units) cause the Equipment to be placed upon such storage tracks as the Vendor reasonably may designate;

(b) permit the Vendor to store the Equipment on such tracks without charge for insurance, rent or storage until the Equipment has been sold, leased or otherwise disposed of by the Vendor; and

(c) cause the Equipment to be transported to such interchange point or points as directed by the Vendor upon any sale, lease or other disposal of all or any of the Equipment.

During any storage period, the Vendee will, at its own cost and expense, insure, maintain and keep each such unit in good order and repair and will permit the inspection of the Equipment by the Vendor, the Vendor's representatives and prospective purchasers, lessees and users. This agreement to deliver the Equipment and furnish facilities as hereinbefore provided is of the essence of the agreement between the parties, and upon the application to any court of equity having jurisdiction in the premises, the Vendor shall be entitled to a decree of specific performance hereof. The Vendee hereby expressly waives any and all claims against the Vendor and its agent or agents for damages of whatever nature in connection with any retaking of any unit of Equipment in any reasonable manner.

At any time during the continuance of a Declaration of Default, the Vendor (after retaking possession of the Equipment as hereinbefore in this Article 16 provided) may at its election and upon such notice as is hereinafter set forth retain the Equipment in satisfaction of the entire indebtedness in respect of the Purchase Price of the Equipment and make such disposition thereof as the Vendor shall deem fit. Written notice of the Vendor's election to retain the Equipment shall be given to the Vendee by telegram or registered mail, addressed as provided in Article 20 hereof, and to any other persons to whom the law may require notice, within 30 days after such Declaration of Default. In the event that the

Vendor should elect to retain the Equipment and no objection is made thereto within the 30-day period described in the second proviso below, all the Vendee's rights in the Equipment shall thereupon terminate and all payments made by the Vendee may be retained by the Vendor as compensation for the use of the Equipment by the Vendee; provided, however, that if the Vendee, before the expiration of the 30-day period described in the proviso below, should pay or cause to be paid to the Vendor the total unpaid balance of the CSA Indebtedness and all other payments due under this Agreement as well as expenses of the Vendor in retaking possession of, removing and storing the Equipment and the Vendor's reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Vendee; provided, further, that if the Vendee or any other persons notified under the terms of this paragraph object in writing to the Vendor within 30 days from the receipt of notice of the Vendor's election to retain the Equipment, then the Vendor may not so retain the Equipment, but shall sell, lease or otherwise dispose of it or continue to hold it pending sale, lease or other disposition as hereinafter provided or as may otherwise be permitted by law. If the Vendor shall have given no notice to retain as hereinabove provided or notice of intention to dispose of the Equipment in any other manner, it shall be deemed to have elected to sell the Equipment in accordance with the provisions of this Article 16.

At any time during the continuance of a Declaration of Default, the Vendor, with or without retaking possession thereof, at its election and upon reasonable notice to the Vendee and to any other persons to whom the law may require notice of the time and place, may sell the Equipment, or any unit thereof, free from any and all claims of the Vendee or any other party claiming from, through or under the Vendee, at law or in equity, at public or private sale and with or without advertisement as the Vendor may determine; provided, however, that if, prior to such sale and prior to the making of a contract for such sale, the Vendee should tender full payment of the total unpaid balance of the CSA Indebtedness and unpaid and all other payments due under this Agreement as well as expenses of the Vendor in retaking possession of, removing, storing, holding and preparing the Equipment for, and otherwise arranging for, the sale and the Vendor's reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Vendee. The proceeds of such sale, less the attorneys' fees and any other expenses incurred by the Vendor in retaking possession of, removing, storing, holding, preparing for sale and selling the Equipment, shall be credited on the amount due to the Vendor under the provisions of this Agreement.

Any sale hereunder may be held or conducted at such place or places and at such time or times as the Vendor may specify, in one lot and as an entirety or in separate lots and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Vendor may determine. The Vendor or the Vendee may bid for and become the purchaser of the Equipment, or any unit thereof, so offered for sale. The Vendee shall be given written notice of such sale not less than ten days prior thereto, by telegram or registered mail addressed to the Vendee as provided in Article 20 hereof. In the event that the Vendor shall be the purchaser of the Equipment, it shall not be accountable to the Vendee (except to the extent of surplus money received as hereinafter provided in this Article 16), and in payment of the purchase price therefor the Vendor shall be entitled to have credited on account thereof all or any part of the sums due to the Vendor from the Vendee hereunder. From and after the date of any such sale, the Vendee shall pay to the Vendor an amount equal to the per diem interchange for each unit of Equipment which shall not have been assembled, as hereinabove provided, by the date of such sale for each day from the date of such sale to the date of delivery to the purchaser at such sale.

Each and every power and remedy hereby specifically given to the Vendor shall be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Vendor. All such powers and remedies shall be cumulative, and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Vendor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder shall impair any such power or remedy or shall be construed to be a waiver of any default or an acquiescence therein. Any extension of time for payment hereunder or other indulgence duly granted to the Vendee shall not otherwise alter or affect the Vendor's rights or the Vendee's obligations hereunder. The Vendor's acceptance of any payment after it shall have become due hereunder shall not be deemed to alter or affect the Vendee's obligations or the Vendor's rights hereunder with respect to any subsequent payments or default therein.

If, after applying all sums of money realized by the Vendor under the remedies herein provided, there shall remain any amount due to it under the provisions of this Agreement, the Vendee shall pay the amount of such deficiency to the Vendor upon demand, together with interest from the

date of such demand to the date of payment by the Vendee at the rate per annum set forth in Article 4 hereof applicable to amounts remaining unpaid after becoming due and payable. If the Vendee shall fail to pay such deficiency, the Vendor may bring suit therefor and shall be entitled to recover a judgment therefor against the Vendee. If, after applying as aforesaid all sums realized by the Vendor, there shall remain a surplus in the possession of the Vendor, such surplus shall be paid to the Vendee.

The Vendee will pay all reasonable expenses, including attorneys' fees, incurred by the Vendor in enforcing its remedies under the terms of this Agreement. In the event that the Vendor shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Vendor may recover reasonable expenses, including attorneys' fees, if any, and the amount thereof shall be included in such judgment.

The foregoing provisions of this Article 16 are subject in all respects to all mandatory legal requirements at the time in force and applicable thereto.

ARTICLE 17. Applicable State Laws. Any provision of this Agreement prohibited by any applicable law of any jurisdiction shall as to such jurisdiction be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby waived by the Vendee to the full extent permitted by law, it being the intention of the parties hereto that this Agreement shall be deemed to be a conditional sale and enforced as such.

Except as otherwise provided in this Agreement, the Vendee, to the full extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of or to sell or lease the Equipment or any unit thereof, and any other requirements as to the time, place and terms of the sale or lease thereof, any other requirements with respect to the enforcement of the Vendor's rights under this Agreement and any and all rights of redemption.

ARTICLE 18. Recording. The Vendee will cause this Agreement, any assignments hereof and any amendments or supplements hereto or thereto to be filed with the Interstate Commerce Commission pursuant to 49 U.S.C. §11303; and the Vendee will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, deposit, record any and all further instruments required by law or reasonably requested by the Vendor for the purpose of proper protection, to the satisfaction of counsel for the Vendor, of its interest in the Equipment and its rights

under this Agreement or for the purpose of carrying out the intention of this Agreement; provided, however, that the Vendee shall not be required to take any such action in respect of any jurisdiction outside the United States of America if (1) the Vendee deems such action to be unduly burdensome, (2) after giving effect to the failure to take such action, the Vendee has taken all action required by law to protect the title of the Vendor to units of Equipment having a fair value of not less than 85% of the aggregate fair value of all such units then subject to this Agreement, and (3) any such unit at any time located in such jurisdiction shall have been marked with the markings specified in Article 7 hereof.

The Vendee will promptly furnish to the Vendor evidence of all such filing, registering, depositing or recording, and an opinion or opinions of counsel for the Vendee with respect thereto satisfactory to the Vendor.

ARTICLE 19. Payment of Expenses. The Vendee will pay all reasonable costs and expenses (other than the fees and expenses of counsel for the Vendor) incident to this Agreement and any instrument supplemental or related hereto.

ARTICLE 20. Notice. All notices given pursuant to this Agreement shall be in writing and shall be deemed to have been delivered, if hand delivered, or mailed postage prepaid, telegraphed, teletyped or otherwise wired to the address below or to such other addresses as either party may designate by like notice:

If to INA: INA Capital Advisors, Inc.  
c/o Richard B. McCauley  
3 Benjamin Franklin Parkway  
P. O. Box 8087  
Philadelphia, Pennsylvania 19101

and

Blank, Rome, Comisky & McCauley  
4 Penn Center Plaza  
Philadelphia, Pennsylvania 19103

Attention: Frederick D. Lipman, Esq.

If to Railbox: Railbox Company  
101 North Wacker Drive  
Chicago, Illinois 60606

Attention: Vice President-Finance

ARTICLE 21. Article Headings; Effect and Modification of Agreement. All article headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

This Agreement, including the Schedules hereto, exclusively states the rights of the Vendor and the Vendee with respect to the Equipment and supersedes all other agreements, oral or written, with respect to the Equipment. No variation or modification of this Agreement and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Vendor and the Vendee.

ARTICLE 22. Law Governing. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the State of Illinois; provided, however, that the parties shall be entitled to all rights conferred pursuant to 49 U.S.C. §11303, and such additional rights arising out of the filing, recording or deposit hereof, if any, and of any assignment hereof as shall be conferred by the laws of the several jurisdictions in which this Agreement or any assignment hereof shall be filed, recorded or deposited, or in which any unit of the Equipment shall be located, and any rights arising out of the marking of the units of Equipment provided for in Article 7 hereof.

ARTICLE 23. Execution. This Agreement 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 shall be sufficiently evidenced by any such original counterpart. It shall not be necessary that any counterpart be signed by all the parties so long as any counterpart be signed by the Vendee and the Vendors. Although this Agreement is dated, for convenience, as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by their officers or other persons, thereunto duly authorized, all as of the date first above written.

INA LIFE INSURANCE COMPANY

By: INA CAPITAL ADVISORS, INC.

John H. Pappas, Vice President

INVESTORS LIFE INSURANCE COMPANY  
OF NORTH AMERICA

By: INA CAPITAL ADVISORS, INC.

John H. Pappas, Vice President

RAILBOX COMPANY

By: William S. [Signature]  
Vice President

COMMONWEALTH OF PENNSYLVANIA )  
 ) ss:  
COUNTY OF PHILADELPHIA

On this <sup>5<sup>th</sup></sup> day of *November*, 1980, before me personally appeared *Norman V. Reichert*, to me personally known, who, being by me duly sworn, says that he is the Vice President of RAILBOX COMPANY, that said instrument was signed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

*Joan Danowsky*  
\_\_\_\_\_  
Notary Public

[Notarial Seal]

My Commission expires:

JOAN DANOWSKY  
Notary Public, Phila., Phila. Co.  
My Commission Expires May 13, 1982

COMMONWEALTH OF PENNSYLVANIA )  
 ) ss:  
COUNTY OF PHILADELPHIA )

On this *5<sup>th</sup>* day of *November*, 1980, before me personally appeared *John H. Lippincott*, to me personally known, who, being by me duly sworn, says that he is the Vice President of INA CAPITAL ADVISORS, INC., a corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

*Joan Danow sky*  
\_\_\_\_\_  
Notary Public

[Notarial Seal]

My Commission expires:

JOAN DANOWSKY  
Notary Public, Phila., Phila. Co.  
My Commission Expires May 13, 1982

CONDITIONAL SALE AGREEMENT

DESCRIPTION OF EQUIPMENT

<u>Quantity</u>	<u>Description</u>	<u>Car Numbers</u>
154	50 Foot, 6 Inch 70 Ton, outside stakes type railroad boxcars manufactured by National Railway Utilization Corporation after January 1, 1977.	NSL 100700 through NSL 100853 inclusive

Schedule B

CONDITIONAL SALE AGREEMENT

UNIT PRICE

unit NSL 100700 through NSL100853 inclusive, each having a Unit Price of \$22,700 for a total aggregate Purchase Price of \$ 3,495,800.