

FEB 11 1981-2 15 PM

INTERSTATE COMMERCE COMMISSION
 MASTER LEASING AGREEMENT

Section 1. Parties. This Agreement dated and effective as of December 1, 1980, is made by and between the following parties:

<u>Name and Address</u>	<u>Identified Herein</u>
Southwestern States Management Co. 701 Commerce Dallas, Texas 75202 Attention: Vice President & General Manager	"Lessor"
Missouri-Kansas-Texas Railroad Company 701 Commerce Dallas, Texas 75202 Attention: Executive Vice President/Financial	"Lessee"

Section 2. Notice. Any notice or demand desired or required to be given hereunder shall be in writing and deemed given when personally delivered or deposited in the U.S. Mail, postage prepaid, sent certified or registered, and addressed as respectively set forth above or to such other address as any party shall have previously designated by like notice. Any notice so delivered personally shall be deemed to be received on the date of delivery and any notice so mailed shall be deemed to have been received five (5) days after the date of mailing.

Section 3. Definitions. As herein used:

3.1. "Equipment" means that portion of the units of railroad rolling stock more particularly described in Exhibit A.

3.2. "Acquisition Cost" shall be the Purchase Price for each unit of Equipment set out in Section 8 of that certain Master Conditional Sales Agreement dated as of December 1, 1980 between The Commonwealth Plan, Inc. as Seller and Lessor as Buyer (hereinafter the "Sales Agreement"), plus any excise tax on the Equipment, and any sales and use taxes thereon.

3.3. "Individual Leasing Record" is a record with respect to Equipment dated the date of the lease of the Equipment to the Lessee and setting forth a full description of the Equipment, its Acquisition Cost, the location of the

Equipment and such other details as the parties may desire. The Individual Leasing Record shall contain a short form of lease to be executed by each of the parties reading substantially as follows:

"The undersigned Lessor hereby leases to the undersigned Lessee, and the Lessee acknowledges delivery to it in good condition of, the Equipment described above. The covenants, terms and conditions of this lease are those appearing in a Master Leasing Agreement between the undersigned Lessor and Lessee dated as of December 1, 1980, which covenants, terms and conditions are hereby incorporated by reference.

SOUTHWESTERN STATES MANAGEMENT CO., Lessor

By _____

MISSOURI-KANSAS-TEXAS RAILROAD COMPANY
Lessee

By _____"

3.4. "Rent" for each unit of Equipment for each quarter commencing on October 1, 1981 and continuing during the lease of such Equipment will be dollar amounts bearing the same ratios to the quarterly rental and Termination Value for such quarter set forth in Exhibit B annexed hereto as the Acquisition Cost of such Equipment bears to One Hundred Thousand Dollars (\$100,000).

3.5. "Interim Rent" shall be in the amount of \$75.00 per month or any partial month per each unit of Equipment placed under Individual Leasing Record(s) commencing on the date of such Individual Leasing Record and ending on September 30, 1981.

Section 4. Agreement for Lease of Equipment. Lessor shall lease the Equipment to Lessee and Lessee shall lease the Equipment from the Lessor upon the terms and conditions set forth in this Agreement. Lessor and Lessee shall evidence their agreement to lease particular units of Equipment by signing and delivering to each other an Individual Leasing Record describing the Equipment.

Section 5. Delivery. Lessee acknowledges that it has previously taken delivery of and does now have possession of the Equipment pursuant to prior Leasing Agreements with The Commonwealth Plan, Inc. The execution by Lessee of the Individual Leasing Records as each unit is placed under lease hereunder shall constitute Lessee's acknowledgement that the Equipment is in good order and condition and is of

the manufacture, design and capacity selected by Lessee, that Lessee is satisfied that the same is suitable for its purpose and that Lessor has made no representation or warranty, express or implied, with respect thereto.

Section 6. Lease Term. The lease term shall commence for each unit of Equipment upon the execution of an Individual Leasing Record covering such Equipment, which Individual Leasing Record shall be executed simultaneously with the execution of the Individual Sales Record covering the same Equipment pursuant to the Sales Agreement. The Lease Term shall run concurrently with the term of the Sales Agreement and shall automatically terminate upon the termination of the Sales Agreement for any cause.

Section 7. Payment of Rent. Lessee shall pay Rent on each unit of Equipment commencing on October 1, 1981 and running for sixty (60) consecutive quarterly rental payments thereafter. Each quarterly rental payment shall be due the 15th day of the second month of such calendar quarter. Any Interim Rent shall be in quarterly installments due the 15th day of the second month of such quarter.

This Lease is a net lease and Lessee's obligation to pay all Rent payable hereunder shall be absolute and unconditional and shall not be affected by any circumstance whatsoever, including, without limitation, (i) any set-off, counterclaim, recoupment, deduction, abatement, suspension, diminution, reduction, defense or other right which Lessee may have against Lessor, The Commonwealth Plan, Inc., any manufacturer or anyone else for any reason whatsoever, (ii) any defect in the title, condition, design, operation, or fitness for use of, or any damage to or loss or destruction of, any item of Equipment or any component part thereof, or any interruption or cessation in the use or possession thereof by Lessee or for any reason whatsoever, or the existence of any liens with respect thereto, (iii) any insolvency, bankruptcy, reorganization or similar proceedings by or against Lessee or Lessor, (iv) any default by Lessor under this Lease or under any other instrument to which Lessor and Lessee may be parties in connection herewith, (v) any change in tax or other laws of the United States, any state thereof, or any political subdivision of any of them, (vi) the invalidity or unenforceability of, of any other infirmity in, the Sales Agreement or any other document, instrument or agreement or any lack of power of Lessee, or Lessor to enter into any of the foregoing, or (vii) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, it being the intention of the parties hereto that the obligations of Lessee shall be absolute and unconditional and shall be separate and

independent covenants and agreements and shall continue unaffected unless the requirement to pay or perform the same shall have been terminated pursuant to an express provision in this Leasing Agreement; provided, however, notwithstanding anything to the contrary herein, the absolute and unconditional obligation of Lessee to pay Rent as set forth in this Section 7 shall cease and terminate as to each unit of Equipment as of the date Lessor pays to The Commonwealth Plan, Inc. the full Termination Payment for such individual unit of Equipment. Lessee hereby waives, to the extent permitted by applicable law, any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender this Leasing Agreement except in accordance with the express terms hereof. Except to the extent expressly provided to the contrary herein, each Rent payment made by Lessee shall be final and Lessee will not seek to recover all or any part of such payment from Lessor, The Commonwealth Plan, Inc., or any assignee of The Commonwealth Plan, Inc. for any reason whatsoever.

Section 8. Use of Equipment. Equipment leased hereunder shall at all times be the sole and exclusive property of Lessor, and Lessee shall have no rights or property therein but only the right to use the same as herein provided. So long as Lessee is not in default in any obligation to the Lessor, Lessee shall have the right to use the Equipment in the regular course of its business or the business of any subsidiary or affiliate of the Lessee and to permit others to use the same for any lawful purpose. Such use shall be confined to the United States and occasional use in Canada and Mexico. Lessee shall use and operate Equipment or cause it to be used and operated only by personnel authorized by Lessee and Lessee shall use every reasonable precaution to prevent loss or damage to any Equipment from fire and other hazards. Lessor may inspect any Equipment and Lessee's records with respect thereto at any reasonable time and Lessee, if requested by Lessor, shall annually on or before June 1, commencing with the year 1981, furnish Lessor a report showing the condition of the Equipment and the markings thereon and substantial repairs, alterations and additions thereto since the delivery thereof or the last preceding report, as the case may be. Lessee's employees and agents shall cooperate fully with Lessor in the investigation of any claims and suits relating to Equipment. Lessee shall comply and shall use its best efforts to cause all persons using or operating Equipment to comply with all statutes, ordinances, rules and regulations regarding the use and operation of the Equipment including, without limitation, those of the Interstate Commerce Commission and Association of American Railroads. Lessee may sublease any

Equipment provided that the sublease is subject to and in conformity with this Leasing Agreement, but no sublease shall in any way limit or affect Lessee's obligations and duties hereunder. Lessee may not assign any right or interest hereunder or permit any lien or encumbrance to remain on Equipment. Lessee shall have the right to retain all per diem payments, sublease rentals or other charges assessed for the use of the Equipment while being used by others as permitted herein.

Section 9. Improvement and Repair of Equipment.

Lessor shall assign or otherwise make available to Lessee all of its rights under any vendor's or manufacturer's warranty on Equipment. Lessee shall pay all costs, expenses, fees and charges incurred in connection with the use and operation of Equipment during the lease thereof. Lessee shall at all times, at its own expense, keep Equipment in first class condition and repair and in good and efficient working order, reasonable wear and tear only excepted, but Lessee shall have a reasonable time within which to repair any loss or damage to Equipment from fire or other casualty. This provision shall apply regardless of the cause of damage and all risks with respect thereto are assumed by Lessee. At its own expense, Lessee shall supply and replace all parts to the Equipment and shall supply the necessary power and other items required in the operation of the Equipment. Any replacement parts, improvements and additions to the Equipment shall become and remain the property of the Lessor.

Section 10. Identification Markings and Numbering. At or prior to the time that any Equipment is placed under an Individual Leasing Record Lessee shall cause to be plainly, distinctly, permanently and conspicuously placed or fastened upon each side of each unit of Equipment the following legend in letters not less than one inch in height:

"PROPERTY OF THE COMMONWEALTH PLAN, INC., OWNER"

At or prior to the time that any Equipment is placed under an Individual Leasing Record Lessee shall cause a distinctive reporting mark and car number to be exclusively assigned to and placed on each side of each unit of Equipment. At all times after delivery the Lessee will cause each unit of Equipment to bear on each side thereof the aforesaid legend and the reporting mark and the car number so assigned to it. Such reporting mark and car numbers shall not be changed by Lessee without the prior written consent of Lessor or The Commonwealth Plan, Inc.

Section 11. Insurance. The Lessee shall, at its own cost and expense, with respect to each unit of Equipment maintain insurance protecting Lessor, Lessee and The Commonwealth Plan, Inc. as their respective interests shall appear, covering (a) fire and extended coverage risks, including wreck and derailment, and (b) liability for bodily injury and property damage resulting from the operation of Equipment. All such insurance shall be in reputable companies. The comprehensive liability policies, other than those covering wreck and derailment, shall be in an amount not less than \$20,000,000 and the policies covering wreck and derailment shall be in an amount not less than \$4,000,000, and all policies shall be payable to the Lessor, Lessee and The Commonwealth Plan, Inc. as their interests may appear, it being understood that Lessee shall be entitled to any insurance proceeds payable by reason of any loss or damage which is replaced or repaired by Lessee or on unit(s) of Equipment destroyed for which Termination Payment has been paid to The Commonwealth Plan, Inc. Policies covering bodily injury and property damage shall provide not less than \$20,000,000 for injury to or death of one person and, subject to that limit for each person, a total liability of \$10,000,000 for all persons injured or killed in the same accident and shall also provide not less than \$3,000,000 for damage, destruction and/or loss of use of property of third persons as a result of any one accident. All policies of insurance shall provide for a ten-day written minimum cancellation notice to the Lessor and The Commonwealth Plan, Inc., and shall provide a waiver of subrogation against Lessor and The Commonwealth Plan, Inc. Lessee shall furnish Lessor certificates or other evidence satisfactory to Lessor and The Commonwealth Plan, Inc. of compliance by Lessee with the provisions hereof. Any such policy or policies of insurance may contain deductible provisions to no greater extent than are customary with railroad companies in the aggregate for any single occurrence.

Section 12. Indemnity. Lessee agrees to indemnify and hold harmless the Lessor and The Commonwealth Plan, Inc. against any and all claims, demands and liabilities of whatsoever nature, including reasonable attorneys' fees, and all costs and expenses relating to or in any way arising out of the ordering, acquisition, title on acquisition, recording and filing, delivery, rejection, installation, possession, use, operation, control or disposition of the Equipment except to the extent that such costs are included in the Acquisition Cost of Equipment leased hereunder and except for any general administrative expenses of the Lessor; all recording and filing fees, stamp taxes and like expenses with respect to mortgages on the Equipment from the Lessor to any mortgagee; all costs, charges, damages or expenses for royalties and/or claims and expenses of litigation, arising out of or necessitated by the assertion of any claim

or demand based upon any infringement or alleged infringement of any patent or other right, by or in respect of any Equipment; all federal, state, county, municipal or other license or qualification fees and taxes whatsoever and penalties and interest thereon, whether assessed, levied against or payable by the Lessor or otherwise, with respect to the Equipment or the purchase, sale, rental, use, operation, control or ownership of Equipment or measured in any way by the value thereof or by the business of the Lessor with respect thereto, excepting taxes on the net income of the Lessor determined substantially in the same manner as net income is presently determined under the Federal Internal Revenue Code, and Lessee shall indemnify and hold Lessor and The Commonwealth Plan, Inc. harmless against any claim with respect thereto. Lessee shall forthwith upon demand reimburse Lessor and The Commonwealth Plan, Inc. for any sum or sums expended with respect thereto. To the extent that Lessee in fact indemnifies Lessor and The Commonwealth Plan, Inc. under the indemnity provisions of this Leasing Agreement, Lessee shall be subrogated to Lessor's or The Commonwealth Plan, Inc.'s rights in the affected transaction and shall have the right to control litigation related to the transaction and to determine the settlement of claims therein.

Section 13. Termination of Leases of Equipment. Upon the termination of the Sale Agreement for any cause or the expiration of the lease term of any Equipment the Lessee shall surrender such Equipment to Lessor and/or The Commonwealth Plan, Inc. as provided in Section 15 hereof.

Section 14. Loss or Destruction of the Equipment. Lessee hereby assumes all risks of loss or damage to the Equipment howsoever the same may be caused. Lessee shall notify Lessor and The Commonwealth Plan, Inc. immediately of any loss of or any damage beyond repair to any Equipment and shall keep Lessor and The Commonwealth Plan, Inc. informed of all developments and correspondence regarding insurance rights and other rights and liabilities arising out of the loss or damage. In the event of total destruction of any of the Equipment or damage beyond repair or the commandeering, conversion or other loss of any of the Equipment, or if the use thereof by the Lessee in its regular course of business is prevented by the act of any third person or persons, or any governmental instrumentality, for a period exceeding ninety (90) days, or if any of the Equipment is attached or is seriously damaged and the attachment is not removed or the Equipment not repaired, as the case may be, in a period of ninety (90) days, then in any such event (a) Lessee shall notify Lessor in writing of such fact, (b) within ten (10) days thereafter the Lessee shall pay to The Commonwealth Plan, Inc. on behalf of the Lessor an amount equal to the

Termination Payment of such Equipment at the time of payment, (c) the lease of such Equipment shall continue until such payment has been received by The Commonwealth Plan, Inc., and shall thereupon terminate, and (d) upon such payment all title to and rights in such Equipment and any insurance thereon shall automatically pass to the Lessee.

Section 15. Surrender of Equipment. Upon the termination of the lease of any Equipment (other than a termination as provided for in Section 14), the Lessee, at its sole expense, shall forthwith deliver possession of such Equipment to the Lessor and The Commonwealth Plan, Inc. in good order and repair, ordinary wear and tear excepted. For the purpose of delivering possession of any Equipment to the Lessor and/or The Commonwealth Plan, Inc. as above required, the Lessee shall at its own cost and expense:

(a) forthwith assemble such Equipment and place it upon such available storage tracks of the Lessee as the Lessor or The Commonwealth Plan, Inc. may designate or, in the absence of such designation, as the Lessee may select;

(b) permit the Lessor and/or The Commonwealth Plan, Inc. to store such Equipment on such tracks for a period not exceeding ninety (90) days; and

(c) transport or cause to be transported such Equipment at any time within such ninety (90) day period, to any place or places on the line of railroad operated by it or to any point of interchange with any connection carrier for shipment, all as directed by the Lessor or The Commonwealth Plan, Inc.

The assembling, delivery, storage and transporting of the Equipment as hereinbefore provided are of the essence of this Leasing Agreement, and upon application to any court of equity having jurisdiction in the premises the Lessor or The Commonwealth Plan, Inc. shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver, store and transport the Equipment.

Notwithstanding the termination of the lease of any Equipment, the provisions of Sections 11 and 12 shall continue to apply to such Equipment until such time, within the ninety (90) day period provided herein, such Equipment is delivered into the possession of Lessor and The Commonwealth Plan, Inc. or any one designated by Lessor and The Commonwealth Plan, Inc.

Section 16. Events of Default. The following events of default by the Lessee shall give rise to rights on the part of the Lessor described in Section 17:

(a) Default in the payment of Rent hereunder beyond the fifth (5th) business day after the date on which the Rent is due; or

(b) Default in the payment or performance of any other liability, obligation, or covenant of the Lessee to the Lessor and the continuance of such default for thirty (30) days after written notice to the Lessee sent by registered or certified mail by the Lessor or The Commonwealth Plan, Inc.;

(c) The termination of existence (other than by reason of the merger or consolidation of Lessee with, or the acquisition of all or substantially all of the assets of Lessee by, a company which in the prior written opinion of Lessor and The Commonwealth Plan, Inc. has a financial condition at least equal to that of Lessee as of the date hereof, provided that such company shall assume and agree to perform all of the obligations of Lessee hereunder) or business failure of, or the making of an assignment for the benefit of creditors by, the Lessee; or

(d) The institution of bankruptcy, reorganization, liquidation or receivership proceedings by or against Lessee and, if instituted against the Lessee, its consent thereto or the pendency of such proceedings for thirty (30) days.

Section 17. Rights of Lessor And The Commonwealth Plan, Inc. Upon Default of Lessee. Upon the occurrence of any of the events of default described in Section 16 the Lessor or The Commonwealth Plan, Inc. may in its discretion do one or more of the following:

(a) Terminate this lease upon five (5) days' written notice to the Lessee sent by ordinary mail;

(b) Whether or not this lease is terminated, take immediate possession of any or all of the Equipment, including substituted parts, accessories or equipment and/or other equipment or property of the Lessor in the possession of the Lessee, wherever situated, and for such purpose, enter upon any premises without liability for so doing;

(c) Whether or not any action has been taken under Sections 17(a) or (b) above, the Lessor or The Commonwealth Plan, Inc. may sell any Equipment (with or without the concurrence or request of the Lessee) and if the net proceeds of such sale are less than the estimated market value of such Equipment, the Lessee shall forthwith pay Lessor as additional rent an amount equal to the difference between such net proceeds of sale and such estimated market value;

(d) Sell, dispose of, hold, use or lease any Equipment or other property of the Lessee as the Lessor in its sole discretion may decide, without any duty to account to Lessee with respect to such action or any proceeds thereof.

If after default Lessee fails to deliver or converts or destroys any Equipment, Lessee shall be liable to the Lessor and/or The Commonwealth Plan, Inc. for all unpaid Rent to the date of such failure to deliver, conversion or destruction of such Equipment plus its estimated market value at the time and plus all costs and expenses incurred by reason of the default. If after default Lessee delivers Equipment to Lessor or The Commonwealth Plan, Inc. or if Lessor or The Commonwealth Plan, Inc. repossesses Equipment, Lessee shall be liable for and the Lessor or The Commonwealth Plan, Inc. may recover from the Lessee all unpaid Rent to the date of such delivery or repossession plus all loss and damages sustained and all costs and expenses incurred by reason of the default.

Section 18. Miscellaneous. This Leasing Agreement and all rights hereunder shall be governed by the law of California. Each of the parties hereto acknowledges that the other party shall not by act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder or under any other instrument given hereunder unless such waiver is given in writing and the same shall be binding to the extent therein provided and only upon the parties signing the same. A waiver on any one occasion shall not be construed as a waiver on any future occasion. No executory agreement shall be effective to change, modify or discharge, in whole or in part, this Leasing Agreement, or any other instrument given in connection therewith unless such executory agreement is in writing and signed by the party to be charged therewith. All rights, remedies and powers granted herein, or in any other instrument given in connection herewith, shall be cumulative and may be exercised singularly or cumulatively.

Section 19. Filing of Master Leasing Agreement. The parties agree that this Leasing Agreement shall be filed by the Lessor or The Commonwealth Plan, Inc. with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act. Upon request by the Lessor or The Commonwealth Plan, Inc., the Lessee will prepare, execute, acknowledge and deliver to Lessor one or more Supplements to this Leasing Agreement describing units of Equipment leased hereunder and Lessor shall execute, acknowledge and file such Supplements with the Interstate Commerce Commission. Upon termination of the lease of any unit of Equipment Lessor and Lessee shall execute any appropriate instrument requested by the other for filing with the Interstate Commerce Commission as evidence of termination of the lease of such unit of Equipment. The Lessee will also execute, acknowledge and deliver to Lessor or The Commonwealth Plan, Inc. any other instruments required by law or reasonably requested by Lessor or The Commonwealth Plan, Inc. for the purpose of protecting the title of Lessor or The Commonwealth Plan, Inc. to the Equipment.

Section 20. Purchase Option. At such time as all Rent pursuant to Section 3.4 has been paid for any unit of Equipment and provided Lessee shall not be in default under any provision under the Lease, Lessee shall have the option to purchase such Equipment for the sum of \$100 per unit of Equipment.

IN WITNESS WHEREOF, Lessor and Lessee have duly executed this Leasing Agreement as of the day and year first above written.

Attest:

A. M. Allen
Asst. Secretary

MISSOURI-KANSAS-TEXAS
RAILROAD COMPANY, Lessee

By [Signature]
Title VICE-PRESIDENT

Attest:

[Signature]
Asst. Secretary

SOUTHWESTERN STATES MANAGEMENT
CO., Lessor

By [Signature]
Title VICE-PRESIDENT

THE STATE OF TEXAS

On this....16th.....day of....January....., 1981.,
before me personally appeared..H. O. Brandt.....,
to me personally known, who, being by me duly sworn, says
that he is..Vice President.....of
Southwestern States Management 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.

Fannie Garrett-Meador

Fannie Garrett-Meador, Notary Public in and for
the State of Texas

My Commission Expires: 12-10-81

THE STATE OF TEXAS

On this....16th.....day of....January....., 1981.,
before me personally appeared..Karl R. Ziebarth.....,
to me personally known, who, being by me duly sworn, says
that he is..Vice President.....of
Missouri-Kansas-Texas 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.

Ruth Murdock

Ruth Murdock, Notary Public in and for
the State of Texas

My Commission Expires: 12-31-84

<u>DESCRIPTION OF EQUIPMENT</u>	<u>NUMBER OF UNITS</u>	<u>IDENTIFICATION NUMBERS</u>	<u>CLOSING DATE</u>	<u>ALLOCATED PURCHASE PRICE PER UNIT</u>	<u>AGGREGATE PURCHASE PRICE</u>
70 ton non-insulated box cars, approximately 4500 ct. ft., AAR-XM	129	BKTY 20500-20505, 20507-20515, 20517-20526, 20528-20534, 20536-20552, 20554-20566, 20568-20573, 20575-20586, 20588-20595, 20597-20602, 20604-20609, 20611-20613, 20615-20627, 20629-20641	6/30/81	\$ 8,000	\$1,032,000
100 ton standard coal hopper cars, fixed ends, AAR-HT	88	BKTY 1500-1512, 1515-1533, 1535-1550, 1552-1562, 1564-1565, 1567-1568, 1570-1581, 1583-1585, 1588, 1590-1593, 1595-1599	6/30/81	\$14,000	\$1,232,000
70 ton underframe insulated box cars, with plug doors, AAR-RBL	105	BKTY 20200-20225, 20227-20231, 20233-20259, 20261-20266, 20268-20299, 20300, 20302, 20304-20306, 20308-20311	9/30/81	\$18,000	\$1,890,000

<u>DESCRIPTION OF EQUIPMENT</u>	<u>NUMBER OF UNITS</u>	<u>IDENTIFICATION NUMBERS</u>	<u>CLOSING DATE</u>	<u>ALLOCATED PURCHASE PRICE PER UNIT</u>	<u>AGGREGATE PURCHASE PRICE</u>
AAR-XMI	83	BKTY 20401-20404, 20406, 20408-20428, 20431, 20433-20439, 20442, 20444-20446, 20448-20457, 20459-20469, 20472-20475, 20477, 20479-20490, 20492-20494, 20496-20499	9/30/81	\$11,250	\$ 933,750
AAR-RBL	149	BKTY 20656-20661, 20663, 20665-20667, 20669-20677, 20679, 20680, 20682-20699, 20701-20705, 20707-20709, 20711-20717, 20719-20731, 20733-20744, 20746, 20747, 20749-20751, 20754-20758, 20760-20763, 20765, 20766, 20768-20773, 20775-20786, 20788-20814, 20816-20820, 20822-20825	9/30/81	\$11,500	\$1,713,500

<u>DESCRIPTION OF EQUIPMENT</u>	<u>NUMBER OF UNITS</u>	<u>IDENTIFICATION NUMBERS</u>	<u>CLOSING DATE</u>	<u>ALLOCATED PURCHASE PRICE PER UNIT</u>	<u>AGGREGATE PURCHASE PRICE</u>
70 ton high side gondola cars, fixed ends, AAR-GBSR	48	BKTY 21450-21472, 21474-21493, 21495-21499	9/30/81	\$19,000	\$ 912,000
70 ton non-insulated box cars, approximately 4500 cu. ft., AAR-XL	5	BKTY 20650-20652, 20654-20655	9/30/81	\$14,160	\$ 70,800
TOTAL	815				TOTAL \$11,185,900

INITIALS:

Lessor: _____

Lessee: _____

[Handwritten initials]

EXHIBIT B - PAYMENT SCHEDULE

Quarterly payments and Termination Payment of Equipment
having a Purchase Price of \$100,000.00:

Payment for each full calendar quarter: \$2,458.45

<u>END OF QUARTER</u>	<u>TERMINATION VALUE (Following payment for such quarter)</u>	<u>END OF QUARTER</u>	<u>TERMINATION VALUE (Following payment for such quarter)</u>
1	\$98,916.55	31	\$58,469.26
2	97,818.20	32	56,814.76
3	96,704.75	33	55,137.51
4	95,575.99	34	53,437.20
5	94,431.71	35	51,713.51
6	93,271.69	36	49,966.12
7	92,095.72	37	48,194.70
8	90,903.58	38	46,398.93
9	89,695.05	39	44,578.46
10	88,469.90	40	42,732.95
11	87,227.91	41	40,862.08
12	85,968.84	42	38,965.48
13	84,692.46	43	37,042.81
14	83,398.53	44	35,093.70
15	82,086.81	45	33,117.79
16	80,757.05	46	31,114.71
17	79,409.01	47	29,084.09
18	78,042.43	48	27,025.55
19	76,657.05	49	24,938.70
20	75,252.63	50	22,823.16
21	73,828.90	51	20,678.53
22	72,385.60	52	18,504.41
23	70,922.45	53	16,300.40
24	69,439.18	54	14,066.08
25	67,935.52	55	11,801.04
26	66,411.18	56	9,504.85
27	64,865.88	57	7,177.09
28	63,299.33	58	4,817.32
29	61,711.24	59	2,524.11
30	60,101.32	60	0.00

INITIALS:

Lessor: _____

Lessee: _____

[Handwritten signatures]

EXHIBIT C

MASTER LEASING AGREEMENT

Section 1. Parties. This Agreement dated and effective as of December 1, 1980, is made by and between the following parties:

<u>Name and Address</u>	<u>Identified Herein</u>
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Missouri-Kansas-Texas Railroad Company 701 Commerce Dallas, Texas 75202 Attention: Executive Vice President/Financial	"Lessee"

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SOUTHWESTERN STATES MANAGEMENT CO., Lessor

By _____

MISSOURI-KANSAS-TEXAS RAILROAD COMPANY
Lessee

By _____"

3.4. "Rent" for each unit of Equipment for each quarter commencing on October 1, 1981 and continuing during the lease of such Equipment will be dollar amounts bearing the same ratios to the quarterly rental and Termination Value for such quarter set forth in Exhibit B annexed hereto as the Acquisition Cost of such Equipment bears to One Hundred Thousand Dollars (\$100,000).

3.5. "Interim Rent" shall be in the amount of \$75.00 per month or any partial month per each unit of Equipment placed under Individual Leasing Record(s) commencing on the date of such Individual Leasing Record and ending on September 30, 1981.

Section 4. Agreement for Lease of Equipment. Lessor shall lease the Equipment to Lessee and Lessee shall lease the Equipment from the Lessor upon the terms and conditions set forth in this Agreement. Lessor and Lessee shall evidence their agreement to lease particular units of Equipment by signing and delivering to each other an Individual Leasing Record describing the Equipment.

Section 5. Delivery. Lessee acknowledges that it has previously taken delivery of and does now have possession of the Equipment pursuant to prior Leasing Agreements with The Commonwealth Plan, Inc. The execution by Lessee of the Individual Leasing Records as each unit is placed under lease hereunder shall constitute Lessee's acknowledgement that the Equipment is in good order and condition and is of

the manufacture, design and capacity selected by Lessee, that Lessee is satisfied that the same is suitable for its purpose and that Lessor has made no representation or warranty, express or implied, with respect thereto.

Section 6. Lease Term. The lease term shall commence for each unit of Equipment upon the execution of an Individual Leasing Record covering such Equipment, which Individual Leasing Record shall be executed simultaneously with the execution of the Individual Sales Record covering the same Equipment pursuant to the Sales Agreement. The Lease Term shall run concurrently with the term of the Sales Agreement and shall automatically terminate upon the termination of the Sales Agreement for any cause.

Section 7. Payment of Rent. Lessee shall pay Rent on each unit of Equipment commencing on October 1, 1981 and running for sixty (60) consecutive quarterly rental payments thereafter. Each quarterly rental payment shall be due the 15th day of the second month of such calendar quarter. Any Interim Rent shall be in quarterly installments due the 15th day of the second month of such quarter.

This Lease is a net lease and Lessee's obligation to pay all Rent payable hereunder shall be absolute and unconditional and shall not be affected by any circumstance whatsoever, including, without limitation, (i) any set-off, counterclaim, recoupment, deduction, abatement, suspension, diminution, reduction, defense or other right which Lessee may have against Lessor, The Commonwealth Plan, Inc., any manufacturer or anyone else for any reason whatsoever, (ii) any defect in the title, condition, design, operation, or fitness for use of, or any damage to or loss or destruction of, any item of Equipment or any component part thereof, or any interruption or cessation in the use or possession thereof by Lessee or for any reason whatsoever, or the existence of any liens with respect thereto, (iii) any insolvency, bankruptcy, reorganization or similar proceedings by or against Lessee or Lessor, (iv) any default by Lessor under this Lease or under any other instrument to which Lessor and Lessee may be parties in connection herewith, (v) any change in tax or other laws of the United States, any state thereof, or any political subdivision of any of them, (vi) the invalidity or unenforceability of, of any other infirmity in, the Sales Agreement or any other document, instrument or agreement or any lack of power of Lessee, or Lessor to enter into any of the foregoing, or (vii) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, it being the intention of the parties hereto that the obligations of Lessee shall be absolute and unconditional and shall be separate and

independent covenants and agreements and shall continue unaffected unless the requirement to pay or perform the same shall have been terminated pursuant to an express provision in this Leasing Agreement; provided, however, notwithstanding anything to the contrary herein, the absolute and unconditional obligation of Lessee to pay Rent as set forth in this Section 7 shall cease and terminate as to each unit of Equipment as of the date Lessor pays to The Commonwealth Plan, Inc. the full Termination Payment for such individual unit of Equipment. Lessee hereby waives, to the extent permitted by applicable law, any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender this Leasing Agreement except in accordance with the express terms hereof. Except to the extent expressly provided to the contrary herein, each Rent payment made by Lessee shall be final and Lessee will not seek to recover all or any part of such payment from Lessor, The Commonwealth Plan, Inc., or any assignee of The Commonwealth Plan, Inc. for any reason whatsoever.

Section 8. Use of Equipment. Equipment leased hereunder shall at all times be the sole and exclusive property of Lessor, and Lessee shall have no rights or property therein but only the right to use the same as herein provided. So long as Lessee is not in default in any obligation to the Lessor, Lessee shall have the right to use the Equipment in the regular course of its business or the business of any subsidiary or affiliate of the Lessee and to permit others to use the same for any lawful purpose. Such use shall be confined to the United States and occasional use in Canada and Mexico. Lessee shall use and operate Equipment or cause it to be used and operated only by personnel authorized by Lessee and Lessee shall use every reasonable precaution to prevent loss or damage to any Equipment from fire and other hazards. Lessor may inspect any Equipment and Lessee's records with respect thereto at any reasonable time and Lessee, if requested by Lessor, shall annually on or before June 1, commencing with the year 1981, furnish Lessor a report showing the condition of the Equipment and the markings thereon and substantial repairs, alterations and additions thereto since the delivery thereof or the last preceding report, as the case may be. Lessee's employees and agents shall cooperate fully with Lessor in the investigation of any claims and suits relating to Equipment. Lessee shall comply and shall use its best efforts to cause all persons using or operating Equipment to comply with all statutes, ordinances, rules and regulations regarding the use and operation of the Equipment including, without limitation, those of the Interstate Commerce Commission and Association of American Railroads. Lessee may sublease any

Equipment provided that the sublease is subject to and in conformity with this Leasing Agreement, but no sublease shall in any way limit or affect Lessee's obligations and duties hereunder. Lessee may not assign any right or interest hereunder or permit any lien or encumbrance to remain on Equipment. Lessee shall have the right to retain all per diem payments, sublease rentals or other charges assessed for the use of the Equipment while being used by others as permitted herein.

Section 9. Improvement and Repair of Equipment.

Lessor shall assign or otherwise make available to Lessee all of its rights under any vendor's or manufacturer's warranty on Equipment. Lessee shall pay all costs, expenses, fees and charges incurred in connection with the use and operation of Equipment during the lease thereof. Lessee shall at all times, at its own expense, keep Equipment in first class condition and repair and in good and efficient working order, reasonable wear and tear only excepted, but Lessee shall have a reasonable time within which to repair any loss or damage to Equipment from fire or other casualty. This provision shall apply regardless of the cause of damage and all risks with respect thereto are assumed by Lessee. At its own expense, Lessee shall supply and replace all parts to the Equipment and shall supply the necessary power and other items required in the operation of the Equipment. Any replacement parts, improvements and additions to the Equipment shall become and remain the property of the Lessor.

Section 10. Identification Markings and Numbering. At or prior to the time that any Equipment is placed under an Individual Leasing Record Lessee shall cause to be plainly, distinctly, permanently and conspicuously placed or fastened upon each side of each unit of Equipment the following legend in letters not less than one inch in height:

"PROPERTY OF THE COMMONWEALTH PLAN, INC., OWNER"

At or prior to the time that any Equipment is placed under an Individual Leasing Record Lessee shall cause a distinctive reporting mark and car number to be exclusively assigned to and placed on each side of each unit of Equipment. At all times after delivery the Lessee will cause each unit of Equipment to bear on each side thereof the aforesaid legend and the reporting mark and the car number so assigned to it. Such reporting mark and car numbers shall not be changed by Lessee without the prior written consent of Lessor or The Commonwealth Plan, Inc.

Section 11. Insurance. The Lessee shall, at its own cost and expense, with respect to each unit of Equipment maintain insurance protecting Lessor, Lessee and The Commonwealth Plan, Inc. as their respective interests shall appear, covering (a) fire and extended coverage risks, including wreck and derailment, and (b) liability for bodily injury and property damage resulting from the operation of Equipment. All such insurance shall be in reputable companies. The comprehensive liability policies, other than those covering wreck and derailment, shall be in an amount not less than \$20,000,000 and the policies covering wreck and derailment shall be in an amount not less than \$4,000,000, and all policies shall be payable to the Lessor, Lessee and The Commonwealth Plan, Inc. as their interests may appear, it being understood that Lessee shall be entitled to any insurance proceeds payable by reason of any loss or damage which is replaced or repaired by Lessee on or on unit(s) of Equipment destroyed for which Termination Payment has been paid to The Commonwealth Plan, Inc. Policies covering bodily injury and property damage shall provide not less than \$20,000,000 for injury to or death of one person and, subject to that limit for each person, a total liability of \$10,000,000 for all persons injured or killed in the same accident and shall also provide not less than \$3,000,000 for damage, destruction and/or loss of use of property of third persons as a result of any one accident. All policies of insurance shall provide for a ten-day written minimum cancellation notice to the Lessor and The Commonwealth Plan, Inc., and shall provide a waiver of subrogation against Lessor and The Commonwealth Plan, Inc. Lessee shall furnish Lessor certificates or other evidence satisfactory to Lessor and The Commonwealth Plan, Inc. of compliance by Lessee with the provisions hereof. Any such policy or policies of insurance may contain deductible provisions to no greater extent than are customary with railroad companies in the aggregate for any single occurrence.

Section 12. Indemnity. Lessee agrees to indemnify and hold harmless the Lessor and The Commonwealth Plan, Inc. against any and all claims, demands and liabilities of whatsoever nature, including reasonable attorneys' fees, and all costs and expenses relating to or in any way arising out of the ordering, acquisition, title on acquisition, recording and filing, delivery, rejection, installation, possession, use, operation, control or disposition of the Equipment except to the extent that such costs are included in the Acquisition Cost of Equipment leased hereunder and except for any general administrative expenses of the Lessor; all recording and filing fees, stamp taxes and like expenses with respect to mortgages on the Equipment from the Lessor to any mortgagee; all costs, charges, damages or expenses for royalties and/or claims and expenses of litigation, arising out of or necessitated by the assertion of any claim

or demand based upon any infringement or alleged infringement of any patent or other right, by or in respect of any Equipment; all federal, state, county, municipal or other license or qualification fees and taxes whatsoever and penalties and interest thereon, whether assessed, levied against or payable by the Lessor or otherwise, with respect to the Equipment or the purchase, sale, rental, use, operation, control or ownership of Equipment or measured in any way by the value thereof or by the business of the Lessor with respect thereto, excepting taxes on the net income of the Lessor determined substantially in the same manner as net income is presently determined under the Federal Internal Revenue Code, and Lessee shall indemnify and hold Lessor and The Commonwealth Plan, Inc. harmless against any claim with respect thereto. Lessee shall forthwith upon demand reimburse Lessor and The Commonwealth Plan, Inc. for any sum or sums expended with respect thereto. To the extent that Lessee in fact indemnifies Lessor and The Commonwealth Plan, Inc. under the indemnity provisions of this Leasing Agreement, Lessee shall be subrogated to Lessor's or The Commonwealth Plan, Inc.'s rights in the affected transaction and shall have the right to control litigation related to the transaction and to determine the settlement of claims therein.

Section 13. Termination of Leases of Equipment. Upon the termination of the Sale Agreement for any cause or the expiration of the lease term of any Equipment the Lessee shall surrender such Equipment to Lessor and/or The Commonwealth Plan, Inc. as provided in Section 15 hereof.

Section 14. Loss or Destruction of the Equipment. Lessee hereby assumes all risks of loss or damage to the Equipment howsoever the same may be caused. Lessee shall notify Lessor and The Commonwealth Plan, Inc. immediately of any loss of or any damage beyond repair to any Equipment and shall keep Lessor and The Commonwealth Plan, Inc. informed of all developments and correspondence regarding insurance rights and other rights and liabilities arising out of the loss or damage. In the event of total destruction of any of the Equipment or damage beyond repair or the commandeering, conversion or other loss of any of the Equipment, or if the use thereof by the Lessee in its regular course of business is prevented by the act of any third person or persons, or any governmental instrumentality, for a period exceeding ninety (90) days, or if any of the Equipment is attached or is seriously damaged and the attachment is not removed or the Equipment not repaired, as the case may be, in a period of ninety (90) days, then in any such event (a) Lessee shall notify Lessor in writing of such fact, (b) within ten (10) days thereafter the Lessee shall pay to The Commonwealth Plan, Inc. on behalf of the Lessor an amount equal to the

Termination Payment of such Equipment at the time of payment, (c) the lease of such Equipment shall continue until such payment has been received by The Commonwealth Plan, Inc., and shall thereupon terminate, and (d) upon such payment all title to and rights in such Equipment and any insurance thereon shall automatically pass to the Lessee.

Section 15. Surrender of Equipment. Upon the termination of the lease of any Equipment (other than a termination as provided for in Section 14), the Lessee, at its sole expense, shall forthwith deliver possession of such Equipment to the Lessor and The Commonwealth Plan, Inc. in good order and repair, ordinary wear and tear excepted. For the purpose of delivering possession of any Equipment to the Lessor and/or The Commonwealth Plan, Inc. as above required, the Lessee shall at its own cost and expense:

(a) forthwith assemble such Equipment and place it upon such available storage tracks of the Lessee as the Lessor or The Commonwealth Plan, Inc. may designate or, in the absence of such designation, as the Lessee may select;

(b) permit the Lessor and/or The Commonwealth Plan, Inc. to store such Equipment on such tracks for a period not exceeding ninety (90) days; and

(c) transport or cause to be transported such Equipment at any time within such ninety (90) day period, to any place or places on the line of railroad operated by it or to any point of interchange with any connection carrier for shipment, all as directed by the Lessor or The Commonwealth Plan, Inc.

The assembling, delivery, storage and transporting of the Equipment as hereinbefore provided are of the essence of this Leasing Agreement, and upon application to any court of equity having jurisdiction in the premises the Lessor or The Commonwealth Plan, Inc. shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver, store and transport the Equipment.

Notwithstanding the termination of the lease of any Equipment, the provisions of Sections 11 and 12 shall continue to apply to such Equipment until such time, within the ninety (90) day period provided herein, such Equipment is delivered into the possession of Lessor and The Commonwealth Plan, Inc. or any one designated by Lessor and The Commonwealth Plan, Inc.

Section 16. Events of Default. The following events of default by the Lessee shall give rise to rights on the part of the Lessor described in Section 17:

(a) Default in the payment of Rent hereunder beyond the fifth (5th) business day after the date on which the Rent is due; or

(b) Default in the payment or performance of any other liability, obligation, or covenant of the Lessee to the Lessor and the continuance of such default for thirty (30) days after written notice to the Lessee sent by registered or certified mail by the Lessor or The Commonwealth Plan, Inc.;

(c) The termination of existence (other than by reason of the merger or consolidation of Lessee with, or the acquisition of all or substantially all of the assets of Lessee by, a company which in the prior written opinion of Lessor and The Commonwealth Plan, Inc. has a financial condition at least equal to that of Lessee as of the date hereof, provided that such company shall assume and agree to perform all of the obligations of Lessee hereunder) or business failure of, or the making of an assignment for the benefit of creditors by, the Lessee; or

(d) The institution of bankruptcy, reorganization, liquidation or receivership proceedings by or against Lessee and, if instituted against the Lessee, its consent thereto or the pendency of such proceedings for thirty (30) days.

Section 17. Rights of Lessor And The Commonwealth Plan, Inc. Upon Default of Lessee. Upon the occurrence of any of the events of default described in Section 16 the Lessor or The Commonwealth Plan, Inc. may in its discretion do one or more of the following:

(a) Terminate this lease upon five (5) days' written notice to the Lessee sent by ordinary mail;

(b) Whether or not this lease is terminated, take immediate possession of any or all of the Equipment, including substituted parts, accessories or equipment and/or other equipment or property of the Lessor in the possession of the Lessee, wherever situated, and for such purpose, enter upon any premises without liability for so doing;

(c) Whether or not any action has been taken under Sections 17(a) or (b) above, the Lessor or The Commonwealth Plan, Inc. may sell any Equipment (with or without the concurrence or request of the Lessee) and if the net proceeds of such sale are less than the estimated market value of such Equipment, the Lessee shall forthwith pay Lessor as additional rent an amount equal to the difference between such net proceeds of sale and such estimated market value;

(d) Sell, dispose of, hold, use or lease any Equipment or other property of the Lessee as the Lessor in its sole discretion may decide, without any duty to account to Lessee with respect to such action or any proceeds thereof.

If after default Lessee fails to deliver or converts or destroys any Equipment, Lessee shall be liable to the Lessor and/or The Commonwealth Plan, Inc. for all unpaid Rent to the date of such failure to deliver, conversion or destruction of such Equipment plus its estimated market value at the time and plus all costs and expenses incurred by reason of the default. If after default Lessee delivers Equipment to Lessor or The Commonwealth Plan, Inc. or if Lessor or The Commonwealth Plan, Inc. repossesses Equipment, Lessee shall be liable for and the Lessor or The Commonwealth Plan, Inc. may recover from the Lessee all unpaid Rent to the date of such delivery or repossession plus all loss and damages sustained and all costs and expenses incurred by reason of the default.

Section 18. Miscellaneous. This Leasing Agreement and all rights hereunder shall be governed by the law of California. Each of the parties hereto acknowledges that the other party shall not by act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder or under any other instrument given hereunder unless such waiver is given in writing and the same shall be binding to the extent therein provided and only upon the parties signing the same. A waiver on any one occasion shall not be construed as a waiver on any future occasion. No executory agreement shall be effective to change, modify or discharge, in whole or in part, this Leasing Agreement, or any other instrument given in connection therewith unless such executory agreement is in writing and signed by the party to be charged therewith. All rights, remedies and powers granted herein, or in any other instrument given in connection herewith, shall be cumulative and may be exercised singularly or cumulatively.

Section 19. Filing of Master Leasing Agreement. The parties agree that this Leasing Agreement shall be filed by the Lessor or The Commonwealth Plan, Inc. with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act. Upon request by the Lessor or The Commonwealth Plan, Inc., the Lessee will prepare, execute, acknowledge and deliver to Lessor one or more Supplements to this Leasing Agreement describing units of Equipment leased hereunder and Lessor shall execute, acknowledge and file such Supplements with the Interstate Commerce Commission. Upon termination of the lease of any unit of Equipment Lessor and Lessee shall execute any appropriate instrument requested by the other for filing with the Interstate Commerce Commission as evidence of termination of the lease of such unit of Equipment. The Lessee will also execute, acknowledge and deliver to Lessor or The Commonwealth Plan, Inc. any other instruments required by law or reasonably requested by Lessor or The Commonwealth Plan, Inc. for the purpose of protecting the title of Lessor or The Commonwealth Plan, Inc. to the Equipment.

Section 20. Purchase Option. At such time as all Rent pursuant to Section 3.4 has been paid for any unit of Equipment and provided Lessee shall not be in default under any provision under the Lease, Lessee shall have the option to purchase such Equipment for the sum of \$100 per unit of Equipment.

IN WITNESS WHEREOF, Lessor and Lessee have duly executed this Leasing Agreement as of the day and year first above written.

Attest:

MISSOURI-KANSAS-TEXAS
RAILROAD COMPANY, Lessee

By _____
Title _____

Attest:

SOUTHWESTERN STATES MANAGEMENT
CO., Lessor

By _____
Title _____

EXHIBIT D - ASSIGNMENT

The undersigned has entered into a Master Conditional Sale Agreement dated as of December 1, 1980, with The Commonwealth Plan, Inc. (herein called "Comm Plan") in connection with railroad rolling stock to be purchased by the undersigned and leased by the undersigned to Missouri-Kansas-Texas Railroad Company (herein called the "Railroad") under a Master Leasing Agreement between the undersigned and said Railroad dated as of December 1, 1980 (the "Lease").

As contemplated in said Master Conditional Sale Agreement the undersigned, for value received, hereby assigns, transfers and sets over to Comm Plan any and all rents, renewal rents, fixed charges, mileage charges and other claims and rights to moneys due or to become due, together with any and all other rights of every kind and description of the undersigned under or arising out of the Lease and any individual leases thereunder heretofore or hereafter entered into between the undersigned and the Railroad, excepting only title to or ownership of the property covered by said leases, primarily as security for the undersigned's indebtedness and liability to Comm Plan under said Master Conditional Sale Agreement and secondarily as security for any and all other liabilities and obligations of the undersigned to Comm Plan, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising; it being understood, however, that Comm Plan does not by this assignment or otherwise assume any of the duties or obligations of the undersigned under said Lease and shall not be responsible in any way for the performance by the undersigned of any of the covenants, terms or conditions thereof.

IN WITNESS WHEREOF, the undersigned has duly executed this assignment this _____ day of _____, 1980.

Attest:

SOUTHWESTERN STATES
MANAGEMENT CO.

By _____

Title _____

STATE OF _____)

COUNTY OF _____) SS:

On this _____ day of _____, 1980,
before me personally appeared _____, to
me personally known, who, being by me duly sworn, says that
he is _____ of Southwestern States
Management Co., that the seal affixed to the foregoing
corporation 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.

Notary Public

My commission expires: _____

EXHIBIT E

ACKNOWLEDGEMENT OF ASSIGNMENT OF RENTS

This Acknowledgement of Assignment of Rents is made as of the 1st day of December, 1980, by Missouri-Kansas-Texas Railroad Company, having its principal office at 701 Commerce, Dallas, Texas 75202 (herein called "Railroad").

At or about the time of delivery hereof, Southwestern States Management Co. (herein called "Southwestern") is purchasing certain railroad rolling stock (the "Equipment") from The Commonwealth Plan, Inc. having its principal office at 2655 Campus Drive, Suite 200, San Mateo, California 94403 (herein called "Comm Plan") under the Master Conditional Sale Agreement between Comm Plan and Southwestern dated as of December 1, 1980. The Equipment is the subject of a Master Leasing Agreement (the "Lease") between Southwestern, as lessor, and Railroad, as lessee. In order to induce Comm Plan to sell the Equipment to Southwestern, Southwestern has entered into an Assignment of Rents dated the date hereof (the "Assignment"), which relates to the Lease, and Railroad is entering into the undertakings herein set forth.

Now, therefore, Railroad agrees as follows:

1. Railroad hereby acknowledges and consents to the Assignment to Comm Plan on this date by Southwestern, as lessor, of all of Southwestern's rights to receive rents, renewal rents, fixed charges, mileage charges and other claims and rights to moneys due or to become due, together with any and all other rights of every kind and description of Southwestern's under or arising out of the Lease and any individual leases thereunder heretofore or hereafter entered into between Southwestern and Railroad, excepting only title to or ownership of the Equipment, as specified in the Assignment, and Railroad acknowledges receipt of an executed counterpart of the Assignment.

2. Railroad agrees to pay and deliver to Comm Plan, at its address set forth above or at such other address as Comm Plan shall designate, all rents and other sums payable or due from the Railroad to Southwestern under the Lease and assigned to Comm Plan pursuant to the Assignment, and to deliver to Comm Plan original or conformed copies of all notices and other instruments which it may deliver pursuant to the terms of the Lease.

3. Railroad represents to Comm Plan that the Lease is in full force and effect, that the rent thereunder has started to accrue, and that it is not in default of any of the terms, covenants and conditions to be performed by it under the Lease.

4. Railroad agrees that it will not enter into any agreement subordinating, amending, modifying, altering, terminating or surrendering the Lease without the consent in writing of Comm Plan, except to the extent that the terms of the Lease expressly provide for such subordination, amendment, modification, alteration, termination or surrender, and that any attempted subordination, amendment, modification, alteration, termination or surrender without such consent shall be void. In the event that the Lease shall be amended as herein permitted, the Lease as so amended shall continue to be subject to the provisions of this Acknowledgement without the necessity of any further act by any of the parties hereto.

5. This Acknowledgement shall be binding upon Railroad and upon its successors and assigns and shall be for the benefit of Comm Plan and its successors and assigns. This Acknowledgement shall not be amended or modified except by an instrument signed by Railroad and Comm Plan.

IN WITNESS WHEREOF, Missouri-Kansas-Texas Railroad Company has caused this Acknowledgement to be duly executed and its corporate seal to be duly affixed as of the day and year first above written.

MISSOURI-KANSAS-TEXAS
RAILROAD COMPANY

Attest:

.....

(seal)

By _____

Title _____

FEB 11 1981-2 15 PM

INTERSTATE COMMERCE COMMISSION

EXHIBIT D - ASSIGNMENT

The undersigned has entered into a Master Conditional Sale Agreement dated as of December 1, 1980, with The Commonwealth Plan, Inc. (herein called "Comm Plan") in connection with railroad rolling stock to be purchased by the undersigned and leased by the undersigned to Missouri-Kansas-Texas Railroad Company (herein called the "Railroad") under a Master Leasing Agreement between the undersigned and said Railroad dated as of December 1, 1980 (the "Lease").

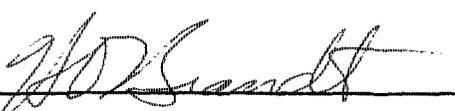
As contemplated in said Master Conditional Sale Agreement the undersigned, for value received, hereby assigns, transfers and sets over to Comm Plan any and all rents, renewal rents, fixed charges, mileage charges and other claims and rights to moneys due or to become due, together with any and all other rights of every kind and description of the undersigned under or arising out of the Lease and any individual leases thereunder heretofore or hereafter entered into between the undersigned and the Railroad, excepting only title to or ownership of the property covered by said leases, primarily as security for the undersigned's indebtedness and liability to Comm Plan under said Master Conditional Sale Agreement and secondarily as security for any and all other liabilities and obligations of the undersigned to Comm Plan, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising; it being understood, however, that Comm Plan does not by this assignment or otherwise assume any of the duties or obligations of the undersigned under said Lease and shall not be responsible in any way for the performance by the undersigned of any of the covenants, terms or conditions thereof.

IN WITNESS WHEREOF, the undersigned has duly executed this assignment as of December 1, 1980.

Attest:

SOUTHWESTERN STATES
MANAGEMENT CO.


Asst. Secretary

By 
Title Vice President

STATE OF TEXAS

On this 16th day of January, 1981,
before me personally appeared H. O. Brandt, to
me personally known, who, being by me duly sworn, says that
he is Vice President of Southwestern States
Management Co., that the seal affixed to the foregoing
corporation 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.

Fannie Garrett-Meador

Notary Public in and for State of Texas
Fannie Garrett-Meador

My commission expires:

December 10, 1981