

RECORDATION NO. 11789 ✓
Filed 1425
MAY 14 1980 - 11 25 AM
Federal Reserve Building
1515 H Street, N.W.
Washington, D.C. 20006

RECORDATION NO. 11789 ✓
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INTERSTATE COMMERCE COMMISSION
May 14, 1980
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RECORDATION NO. 11789 ✓
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MAY 14 1980 - 11 25 AM
INTERSTATE COMMERCE COMMISSION
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RECORDATION NO. 11789 ✓
Filed 1425

MAY 14 1980 - 11 25 AM
INTERSTATE COMMERCE COMMISSION
Secretary,
Interstate Commerce Commission
Washington, D.C. 20423

MAY 14 1980 - 11 25 AM
INTERSTATE COMMERCE COMMISSION
Date MAY 14 1980
Fee \$ 170.⁰⁰

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I.C.C.
FEE OPERATION BR

Dear Madam:

ICS Washington, D. C.

Enclosed are ten original and fully executed, notarized copies of the following documents between the parties listed below relating to the railroad cars specified herein:

- 1.A. Document: Lease Agreement ("Lease"), dated as of January 14, 1980, together with Equipment Schedules One, Two and Three attached thereto, dated as of the same date.
- B. Parties: Brae Corporation, as Lessor ("Lessor") and The Seattle & North Coast Railroad Company, as Railroad ("Lessee").
- C. Addresses: Lessor, Brae Corporation, Three Embarcadero Center, San Francisco, California 94111; Lessee, The Seattle & North Coast Railroad Company, 2150 N. 107th Street, Suite #150, Seattle, Washington 98133.
- D. Equipment: Railroad Cars: 300 steel 50 foot, 70 ton railroad box cars, AAR mechanical designation "XM", manufactured by Pullman Incorporated, bearing identification numbers SNCT 1100-SNCT 1299 and SNCT 1400-1499.
- 2.A. Document: Amendment No. 1 to Lease Agreement dated as of April 24, 1980.
- B. Parties: Lessor and Lessee (described in 1C above).
- C. Addresses: Addresses provided in 1C above.
- D. Equipment: Railroad Cars: Certain of the railroad cars described in 1D above, that is, 200 XM boxcars, bearing identification numbers SNCT 1100--SNCT 1299.
- 3.A. Document: Assignment of Lease, dated as of April 24, 1980 between Lessor and Hillman Manufacturing Company ("Assignee"), and Consent to Assignment, attached thereto, dated as of May 8, 1980 by the Lessee.
- B. Parties: Lessor (and Assignor) Brae Corporation; Assignee, Hillman Manufacturing Company, and Lessee.

11789
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Secretary
May 14, 1980
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C. Addresses: Lessor, and Lessee (provided in 1C above); Assignee, Hillman Manufacturing Company, P.O. Box 510, Brownsville, Pennsylvania 15417.

D. Equipment: As described in 2D above.

4.A. Document: Management Agreement, dated as of April 24, 1980, between Hillman Manufacturing Company (Assignee-Owner) and Brae Corporation (Manager).

B. Parties: Hillman Manufacturing Company (Assignee-Owner) and Brae Corporation (Manager).

C. Addresses: Assignee-Owner, Hillman Manufacturing Company (provided in 3C above) and Manager, Brae Corporation (provided in 1C above).

D. Equipment: As described in 2D above.

5.A. Document: Loan and Security Agreement, dated as of April 24, 1980, between Hillman Manufacturing Company (Assignee, Borrower and Party Granting Security Interest) and Manufacturers Hanover Leasing Corporation (Secured Party and Lender), together with Supplement No. 1 thereto, dated as of May 7, 1980.

B. Parties: Hillman Manufacturing Company (Assignee, Borrower and Party Granting Security Interest) and Manufacturers Hanover Leasing Corporation (Secured Party and Lender).

C. Addresses: Assignee, Borrower and Party Granting Security Interest, Hillman Manufacturing Company (provided in 3C above) and Secured Party and Lender, Manufacturers Hanover Leasing Corporation, 30 Rockefeller Plaza, New York, New York 10020, Attention: Vice President, Credit Department, Eastern United States.

D. Equipment: As described in 2D above.

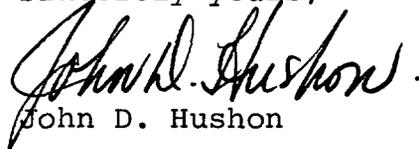
I respectfully request that one counterpart of these documents be recorded under the provisions of 49 U.S.C. §11303. I would also appreciate your stamping the additional copies of the above documents which are not required for your filing purposes and returning them to me. Our check in the amount of the filing fees is also enclosed.

The undersigned certifies that he is acting as counsel to Hillman Manufacturing Company and that he has knowledge of the

Secretary
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Page Three

matters set forth in the above described documents.

Sincerely yours,

A handwritten signature in cursive script that reads "John D. Hushon". The signature is written in black ink and is positioned above the printed name.

John D. Hushon

Enclosures

11789 ✓

RECORDATION NO. Filed 1425

MAY 14 1980 - 11 25 AM

INTERSTATE COMMERCE COMMISSION

MANAGEMENT AGREEMENT

DATED AS OF APRIL 24, 1980

BETWEEN

HILLMAN MANUFACTURING COMPANY, OWNER

AND

BRAE CORPORATION, MANAGER

(COVERING UP TO 200 GENERAL PURPOSE XM BOXCARS)

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*This Index is included for convenience only and does not form a part of, or affect any construction or interpretation of this instrument.

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MANAGEMENT AGREEMENT

MANAGEMENT AGREEMENT (hereinafter called the "Agreement") dated as of April 24, 1980, between Hillman Manufacturing Company, a Pennsylvania corporation (hereinafter called the "Owner") and Brae Corporation, a Delaware corporation (hereinafter called the "Manager").

WHEREAS, the Manager and Pullman Incorporated (Pullman Standard Division) (hereinafter called the "Builder"), have entered into Letter Agreements dated August 4, 1978, August 28, 1978, and January 22, 1980 together constituting the Purchase Agreement (hereinafter called the "Purchase Agreement") pursuant to which the Builder will construct, sell and deliver certain units of railroad equipment described in Exhibit A hereto (hereinafter called individually a "Unit" and collectively the "Units" or the "Equipment");

WHEREAS, the Manager and the Owner have entered into a Purchase Agreement Assignment dated as of April 24, 1980 (hereinafter called the "Purchase Agreement Assignment") pursuant to which the Manager assigned all of its right, title and interest in, to and under the Purchase Agreement as it pertains to the Units to the Owner and to which assignment the Builder has consented pursuant to a Consent and Agreement dated as of April 24, 1980 (hereinafter called the "Builder Consent and Agreement");

WHEREAS, the Manager and the Seattle & North Coast Railroad Company (hereinafter called the "Railroad") have entered into a Lease Agreement dated January 14, 1980 and an Amendment No. 1 to Lease Agreement dated as of April 24, 1980 (such Lease Agreement as heretofore amended by such Amendment No. 1 to Lease Agreement being hereinafter called the "Lease") pursuant to which the Units will be leased to the Railroad;

WHEREAS, the Manager and the Owner have entered into a Lease Agreement Assignment dated as of April 24, 1980 (hereinafter called the "Lease Assignment") pursuant to which the Manager assigned all of its right, title and interest in, to and under the Lease as it pertains to Equipment Schedules Nos. 2 and 3 thereto to the Owner and to which assignment the Railroad has consented pursuant to a Consent and Agreement dated as of April 24, 1980 (hereinafter called the "Railroad Consent and Agreement");

WHEREAS, the Owner and Manufacturers Hanover Leasing Corporation (hereinafter called the "Lender") have entered into a Loan and Security Agreement dated as of April 24, 1980 (hereinafter called the "Loan Agreement") pursuant to which the Lender will lend to the Owner approximately 80% of the purchase price of the Units, the loan to be made thereunder to be secured by a security interest in the Units, an assignment of the Owner's rights and interest in and to this Agreement and the Lease, and all monies and investments at any time held in the Security Deposit Account (as defined in the Loan Agreement) and all Proceeds (as defined in the Loan Agreement) of all of the foregoing;

WHEREAS, the Owner desires to retain the Manager as its agent for the purpose of managing the Units, performing the duties and obligations of the Owner under the Lease, collecting amounts due to or on behalf of the Owner with respect to the Units and disbursing funds to pay costs, expenses and obligations of the Owner with respect to the Units, all on the terms and conditions set forth herein; and

WHEREAS, the Manager is engaged in the business of managing railroad equipment such as the Units for the respective owners thereof, and desires to manage the Units and perform such duties for the Owner with respect to the Units as are set forth herein, all on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the mutual promises made herein, the Owner and the Manager, intending to be legally bound, hereby agree as follows:

1. Engagement of Manager. The Owner hereby engages the Manager as agent of the Owner to manage the Units, collect amounts due to or on behalf of the Owner with respect to the Units and disburse funds to pay costs, expenses and obligations of the Owner with respect to the Units, all on the terms and conditions set forth herein, and the Manager accepts such engagement and agrees to act as agent for the Owner and perform in accordance with the terms and conditions hereof.

2. Term. The term of this Agreement and the agency created hereby shall commence as of the date of this Agreement, and shall continue, with respect to each Unit, for fifteen years from the Delivery Date (as hereinafter defined) of the last Unit subject to this Agreement or the earlier termination of the Lease with respect to such Unit, for any reason; provided, however, that notwithstanding any termination of this Agreement, the Manager and the Owner shall continue to be obligated to fulfill all obligations arising out of events occurring prior to termination of this Agreement and intended by the terms hereof to be performed subsequent to termination of the Lease.

3. Representations and Warranties. In order to induce the Owner to enter into this Agreement, the Manager represents and warrants to the Owner that:

3.1 Corporate Existence. The Manager is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware.

3.2 Power and Authorization. The Manager has full power, authority and legal right to own its properties and to conduct its business as now conducted, to execute, deliver and perform this Agreement; and the Manager has taken all necessary corporate action to authorize the execution, delivery and performance by it of this Agreement. This Agreement has been duly executed and delivered by the Manager and constitutes, valid and binding obligations of the Manager enforceable against the Manager in accordance with its terms. No consent of any other party (including stockholders of the Manager) and no consent, license, approval or authorization of, exemption by, or filing, registration or declaration with, any governmental authority is required in connection with the execution, delivery or performance by the Manager of this Agreement.

3.3 No Legal Bar. The execution, delivery and performance by the Manager of this Agreement will not violate any provision of any law or regulation or of any order, judgment, award or decree of any court, arbitrator or governmental authority applicable to the Manager or of the Certificate of Incorporation, By-Laws or any preferred stock provision of the Manager or of any mortgage, indenture, contract or other agreement to which the Manager is a party or which is binding upon the Manager or any of its properties and will not result in the creation or imposition of any lien on any of the properties or assets of the Manager.

4. Duties of the Manager. In consideration of the compensation to be paid to the Manager by the Owner pursuant to Section 7 hereof, and the agreement of the Owner to reimburse certain expenditures incurred by the Manager pursuant to Section 6 hereof, the Manager shall provide and perform the services on behalf of the Owner, as the agent of the Owner, set forth below during the term of this Agreement.

4.1 Lease Obligations Generally. The Manager shall perform and observe, on behalf of the Owner as the agent of the Owner, all of the Owner's duties and obligations with respect to the Units under the Lease and the Lease Assignment; provided, however, that the Manager shall be reimbursed as hereinafter provided by the Owner for certain of its actual expenditures incurred in performing such obligations.

4.2 Inspection of Units During Construction. The Manager, at its own expense, will cause one or more of its authorized representatives to (i) review the specifications for the Equipment referred to or set forth in the Purchase Agreement (hereinafter called the "Specifications"), (ii) advise the

Owner of its recommendations, if any, with respect to such Specifications, (iii) inspect the Units at various stages of construction to ensure that the Units conform to the Specifications, and (iv) consult with the Builder and the Owner, and advise the Owner with respect to any deviations of the Units from the Specifications and the specifications for the Units described in the Lease.

4.3 Inspection and Acceptance of Units. A. Upon completion of construction, the Owner will cause each Unit to be delivered to the Manager at the point or points within the continental United States of America at which each Unit is delivered to the Owner under the Purchase Agreement. Upon such delivery, the Manager, at its own expense, will cause its authorized representative to inspect each Unit and, if each such Unit is found to conform to (a) the Specifications and the specifications for the Units described in the Lease, (b) all requirements and interchange standards of the Association of American Railroads (hereinafter called the "AAR"), the Interstate Commerce Commission (hereinafter called the "ICC"), and the United States Department of Transportation (hereinafter called the "DOT"), and (c) all governmental regulations, to accept delivery of each such Unit and to execute and deliver to the Owner and the Railroad a certificate of acceptance (hereinafter called a "Certificate of Acceptance"), substantially in the form of Exhibit B hereto stating that each such Unit has been delivered, inspected and accepted by the Manager on behalf of the Owner pursuant to the Purchase Agreement and on behalf of the Railroad pursuant to the Lease on the date of such Certificate of Acceptance (such date being hereinafter called a "Delivery Date") and is marked in accordance with Section 4.11 hereof; whereupon each such Unit shall be subject thereafter to all the terms and conditions of this Agreement.

B. Notwithstanding anything to the contrary contained herein, any physical injury or damage to the Manager's representative(s) or any damage or loss caused by the Manager's representative(s) in connection with this Section 4.3 or Section 4.2 above shall be the responsibility of the Manager and the Owner shall have no liability with respect thereto.

4.4 Delivery of Units to Lessee. The Manager, at the Owner's expense, shall cause the Units to be moved from the place at which they are delivered by and accepted from the Builder under the Purchase Agreement to the points at which each Unit first is loaded with freight and placed in revenue earning service at the lowest possible transportation cost to the Owner. The Manager shall use its best efforts to cause all Units to be loaded at locations convenient to their respective points of acceptance from the Builder and moved as revenue earning equipment to the Railroad. The Manager shall use its best

efforts to arrange with the Builder for payment of the purchase price of all Units under the Purchase Agreement to be made in one installment not more than five (5) days prior to the date on which the last Unit for which settlement is being made is placed in revenue producing service.

4.5 Recording. Prior to the delivery and acceptance hereunder of any Unit, the Lease and the Lease Assignment shall be filed and recorded with the ICC in accordance with 49 U.S.C. 11303 and the Manager will cause the Units to be duly registered with and reported to the AAR, ICC, DOT and any other regulatory authority having jurisdiction over the Units or the Lease in order to ensure that the Units will at all times be entitled to generate the maximum possible revenue subject to the provisions of the Lease. The Manager, at the Owner's expense, shall from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, record and deposit (and will refile, reregister, rerecord or redeposit whenever required) any and all further instruments required by law, necessary, or reasonably requested by the Owner for the purpose of proper protection, to the satisfaction of the Owner, of the Owner's title to the Equipment or for the purpose of carrying out the transactions contemplated by this Agreement and the Lease. The Manager promptly shall furnish to the Owner evidences of all such filing, registering, recording, depositing, refiling, reregistering, rerecording and/or redepositing, and, if requested, an opinion or opinions of counsel for the Manager with respect thereto satisfactory to the Owner.

4.6 Management. Immediately upon execution of this Agreement, or as soon thereafter as reasonably practicable, the Manager shall commence to manage and operate the Units, as herein provided, and continue, during the term of this Agreement, to so manage and operate the Units.

4.7 Maintenance. The Manager shall use its best efforts to maintain or cause the Units to be maintained, at the Owner's expense, in good repair, condition, and working order and to arrange for all repairs, alterations, modifications, improvements or additions to the Units to comply with applicable laws or regulations; provided, however, that no alterations, modifications, improvements or additions of the type referred to in Paragraph B of Section 6 or any repair (other than running repairs) in excess of \$500 per Unit (as annually adjusted for each annual change in the Consumer Price Index - CPI-U, published by the Bureau of Labor Statistics, United States Government, which occurs after January 1, 1980 - the "Base Year") shall be made without the consent of the Owner, which consent will be deemed to have been granted if the Owner shall not have objected thereto in writing within 5 days after notice to the Owner thereof and of the estimated cost thereof. Notwithstanding the preceding sentence, the Manager shall not be entitled to reimbursement for, nor

shall the Owner be required to pay the expense of any maintenance, repairs, alterations, modifications, improvements or additions to any of the Units caused by or resulting from the negligence or misconduct of the Manager.

4.8 Insurance. Before accepting any Unit hereunder, but subject to the Owner's prior approval (which approval will not be unreasonably withheld) and at the Owner's expense, the Manager shall effect or cause to be effected and the Manager shall use its best efforts to maintain or cause to be maintained with financially sound and reputable companies, insurance policies (i) insuring each such Unit against loss by fire, explosion, theft and such other casualties as are usually insured against by companies engaged in the ownership and leasing of railroad freight cars and with coverage in an amount at least equal to the Casualty Value as defined in the Loan Agreement of such Unit (but such coverage for all Units may be limited to \$5,000,000 for each occurrence), (ii) insuring the Owner and the Lender against liability for personal injury and property damage caused by or relating to such Units or their use with coverage in the amount of at least \$10,000,000, and (iii) insuring the Owner for the loss of revenues from each Unit in excess of 10 Units which becomes inoperable due to damage, for an 80-day period commencing 10 days after the date of such damage. All such insurance policies shall (A) be in such form and have such coverage as shall be satisfactory to the Owner and the Lender, naming the Lender as an additional assured with losses payable to the Owner and the Lender as their respective interests may appear, (B) provide for at least 30 days' prior written notice to the Owner and the Lender before any cancellation, reduction in amount or change in coverage thereof shall be effective, (C) contain a breach of warranty clause in favor of the Lender, and (D) provide that the Lender shall have no obligation or liability for premiums, commissions, assessments or calls in connection with such insurance. The Manager shall, on or before April 30, of each year commencing with the year 1981, deliver to the Owner and the Lender a report of a reputable insurance broker with respect to the insurance on the Units. It is understood that the foregoing insurance provisions shall not require the Manager to purchase separate insurance policies from those it now maintains on railroad equipment similar to the Units if such existing insurance policies are amended, supplemented or endorsed by the companies issuing such policies so as to effectuate the above described insurance in form and substance satisfactory to the Lender and the Owner. It is further understood that the Owner shall have the right itself to arrange for maintenance of the above described insurance in which event, upon notice thereof to the Manager, the Manager shall not be obligated hereunder to effect or maintain such insurance.

4.9 Movement of Units. The Manager, at its own expense, shall monitor and record all movement and activity of the Units.

4.10 Records. The Manager, at its own expense, shall maintain complete and accurate records relating to the Units for a period of five (5) years (or such shorter period as shall be consented to by the Owner, such consent not to be unreasonably withheld, or such longer period for which the Manager customarily maintains records of its own railroad equipment) in the same form and to the same extent as the Manager customarily maintains records of its own railroad equipment and make such records available for inspection by the Owner or any of the Owner's representatives during reasonable business hours.

4.11 Marking of Units. The Manager, at the expense of the Owner, shall cause the Units, (i) to be painted such colors and with such designs designated by the Railroad under the terms of the Lease and (ii) to be kept marked with the name, railroad markings and/or other insignia used by the Railroad thereof and numbered with such identifying number as shall be set forth in the Supplement (as defined in the Loan Agreement) pertaining to such Unit 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 following: "MORTGAGED TO A FINANCIAL INSTITUTION UNDER A SECURITY AGREEMENT FILED WITH THE INTERSTATE COMMERCE COMMISSION" or other appropriate words designated by the Lender, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Lender's interest in the Units and its rights under the Loan Agreement. The Manager will not permit any Unit to be placed in operation or exercise any control over the same until such name, markings and/or other insignia, such number and such words shall have been so marked on both sides thereof and will replace or will cause to be replaced promptly any such name, markings or other insignia, such number or such words which may be removed, defaced or destroyed. The Manager will not permit the identifying number of any Unit to be changed except in accordance with a statement of new number or numbers to be substituted therefor, which statement previously shall have been delivered to the Owner and the Lender and filed, recorded and deposited by the Manager in all public offices where the Lease or the Loan Agreement shall have been filed, recorded or deposited.

4.12 Return, Storage and Remarketing of Units.

A. Except as provided in Paragraph B of this Section, upon the termination of the Lease with respect to each Unit at expiration or otherwise, the Manager will arrange, at Owner's expense (except to the extent such expenses are to be paid by Railroad under the Lease), for the transportation, gathering, storage, repair, painting, and remarketing of the Units to

the extent requested by the Owner. Except as provided in Paragraph B of this Section, with respect to termination of the Lease as to any Units other than by expiration of the Lease, Manager shall use its best efforts to secure, at Owner's expense, alternative leases or other uses for the Units satisfactory to the Owner which will maximize the economic return to the Owner. In connection with arranging the leasing of any Unit pursuant to this Paragraph A following termination of the Lease with respect to such Unit, the Manager shall attempt to lease such Unit as well as any other unit of similar railroad equipment owned or managed by the Manager (or the Manager's affiliates) on the basis that the first Unit or unit off lease shall be the first Unit or unit eligible for subsequent leasing.

B. In the event of the termination of the Lease with respect to any of the Units at any time prior to the Recourse Release Date (as defined in the Loan Agreement), the Manager shall use its best efforts to secure alternative leases or other uses for the Units satisfactory to the Owner which will maximize the economic return to the Owner. All expenses incurred by the Manager in securing or seeking to secure such alternative leases or uses for the Units (including without limitation all marketing, legal, delivery, painting and storage expenses, if any) shall be borne by the Manager without any right to reimbursement from the Owner except to the extent such expenses exceed fifty percent (50%) of the aggregate fee paid by the Owner to the Manager pursuant to Section 7.1 hereof, the Owner hereby agreeing to reimburse the Manager for all expenses in excess of such amount. In fulfilling its duties under this Paragraph B, the Manager shall give absolute priority (except to the extent such priority would cause the Manager to violate its obligations under any of the railroad equipment agreements identified on Exhibit C hereto as in effect on the date hereof, and in such event, the Manager shall give priority to the greatest extent which does not cause the Manager to violate such agreements) to the Units over all other railroad equipment owned, managed, leased or brokered by the Manager, and the Manager shall offer the Owner the opportunity to lease, sell, or otherwise arrange for the use of the Units to or with any party which the Manager reasonably believes to be interested in leasing, purchasing or otherwise using railroad equipment substantially similar to the Units before the Manager makes any other arrangements or understandings with such party with respect to railroad equipment substantially similar to the Units; provided, however, the Manager shall not be required to offer the Owner any such opportunity where the Manager has, in contemplation of such opportunity, (x) entered into a purchase agreement for the manufacture of railroad equipment the scheduled delivery date of which equipment is less than Sixty (60) days after the date of termination of the Lease giving rise to the Manager's obligations under this Paragraph B, or (y) commenced (or is within fifteen (15) days of commencing) remarking other

available railroad equipment on the date of termination of the Lease giving rise to the Manager's obligations under this Paragraph B. If at any time prior to the Recourse Release Date the Owner shall have the right to terminate the Lease with respect to any of the Units then the Manager shall advise the Owner (and continue to so advise the Owner so long as such right exists) of (i) all other opportunities of which the Manager is aware to lease, sell, or otherwise arrange for the use of the Units; (ii) the status of all other railroad equipment similar to the Units for which the Manager is or may be obligated directly or indirectly, to arrange the lease, sale or other use (including sufficient information about such other railroad equipment so as to enable the Owner to evaluate any contingencies to the Manager's obligations with respect to such other railroad equipment [including without limitation, information with respect to rights of the Manager or any other party to terminate any existing lease with respect to such other equipment]); (iii) the status of any purchase agreements for other railroad equipment similar to the Units to which the Manager is or anticipates becoming a party (including information with respect to the scheduled delivery date of such other railroad equipment); and (iv) the status of all other available railroad equipment similar to the Units owned, leased, managed, or brokered by the Manager including information with respect to the intended time of marking or remarking any such railroad equipment; provided, however, the foregoing provisions of this Paragraph B shall not be construed to require the Manager to violate its duty of loyalty or confidentiality to any of the third party owners of railroad equipment pursuant to the agreements identified on Exhibit C hereto as in effect on the date hereof.

4.13 Location of Units. The Manager shall use its best efforts to see that the Units are not assigned to service outside the continental United States of America and that no Unit is outside the continental United States of America more than fifty percent (50%) of the days in any calendar year, in all cases subject to the rights of the Railroad under the Lease. In the event that it obtains knowledge that more than 10% of the Units then subject to this Agreement are located outside the continental United States of America, the Manager will use its best efforts promptly to cause sufficient of such Units to be returned to the continental United States so that the number of Units located outside the continental United States shall not exceed 10% of all Units.

4.14 Litigation. In the event the Owner is a party to any legal action arising out of its ownership of the Units, the Manager will advise the Owner with respect to such action and will defend against such action at the Owner's expense if so requested by the Owner.

4.15 Reports. A. The Manager, at its own expense, shall furnish or cause to be furnished to the Owner, during the term of this Agreement the following:

(1) Within 15 days of the last day of each month, a report of the activity of the Units for such preceding month which report will summarize with respect to the Units for such month (i) all amounts earned, (ii) all amounts received and deposited to or for the Owner's account; (iii) all amounts outstanding with respect to prior months with explanations for such overdue amounts; (iv) all maintenance expenditures; (v) all incentive fees paid to the Railroad; (vi) other expenditures; and (vii) any casualty occurrences.

(2) Within 30 days of the end of each calendar year during the term of this Agreement, a statement signed by an executive officer of the Manager (i) setting forth as of the preceding December 31 the amount, description and numbers of all Units then subject to this Agreement, the amount, description and numbers of all Units that have suffered a Casualty Occurrence as defined in the Loan Agreement during the preceding calendar year, or are then undergoing repairs (other than running repairs), and such other information regarding the condition and state of repair of the Units as the Owner may reasonably request; (ii) stating that, in the case of all Units repaired or repainted during the period covered by such statement, the numbers and markings required by the Lease and the Loan Agreement have been preserved or replaced; (iii) certifying that all amounts payable pursuant to the Lease by the Railroad to or for the account of the Owner through the preceding December 31 have been paid, or if any have not been paid, identifying such unpaid amounts and the reason for their non-payment; (iv) certifying that all amounts payable hereunder by the Manager to the Owner through the preceding December 31 have been paid, or if any have not been paid, identifying such unpaid amounts and the reason for their non-payment; (v) stating that the Owner has observed and performed in all material respects, or caused to be observed and performed in all material respects on its behalf, each and every covenant and agreement of the Owner required to be so observed or performed pursuant to the Lease, Lease Assignment and this Agreement, or if any have not been observed and performed, identifying such covenant or agreement and the reason for their nonperformance or nonobservance; (vi) stating that all amounts required to be paid by the Owner under the Lease, Lease Assignment and this Agreement have been paid, or if any have not been paid, identifying such unpaid amounts and the reason for their nonpayment; (vii) stating that the Units have been operated in all material respects in compliance with all requirements of any regulatory authorities having jurisdiction over the Units.

(3) Immediately upon becoming aware of the happening or occurrence of any of the following, notice thereof; (i) any default on the part of the Builder under the Purchase Agreement; (ii) any claim which the Owner has against the Builder in accordance with the warranty provisions of the Purchase Agreement; (iii) any Casualty Occurrence (as defined in the Loan Agreement); (iv) the occurrence of any event of default or event which, with the passage of time or the giving of notice, or both, would be an event of default on the part of (x) the Railroad under the Lease (y) the Manager under this Agreement, or (z) the Owner under the Lease, the Lease Assignment or this Agreement; (v) the occurrence of any event which would enable the Owner to terminate the Lease or this Agreement with respect to any Units; (vi) the imposition of any rules or regulations by any regulatory authority having jurisdiction over the Units which may have a material impact on the Owner's revenue or expense relative to the Units; (vii) the making or assertion of any Lien (as defined in the Loan Agreement) or claim against any of the Collateral (as defined in the Loan Agreement) except as contemplated by the Loan Agreement.

(4) As soon as available but in any event not later than April 30 of each year, a true and correct copy of the annual report filed by the Railroad with the ICC or any governmental authority succeeding to all or a part of the functions thereof (unless, after using its best efforts, the Manager is unable to obtain a copy of such annual report).

(5) During any period when the Railroad shall not be required to file annual reports containing its financial statements with the ICC or any successor governmental authority, as soon as available but in any event not later than 120 days after the close of each fiscal year of the Railroad, a balance sheet of the Railroad as at the end of such fiscal year and the related statements of income and of changes in financial position of the Railroad for such fiscal year, all in reasonable detail, prepared in accordance with generally accepted accounting principles applied on a basis consistently maintained throughout such fiscal year and certified by the principal financial or accounting officer of the Railroad (unless, after using its best efforts, the Manager is unable to obtain such financial statements).

(6) Promptly, such other reports, records, certificates or information with respect to the management of the Units, the Lease, or this Agreement as the Owner from time to time may reasonably request.

B. All statements and reports made and furnished by the Manager in accordance with the provisions of this Section shall be made in good faith and to the best of the Manager's knowledge and ability to make such statements. The Owner shall have the right, by its agents, to inspect the Manager's records with respect to the matters covered by this Agreement at such reasonable times as the Owner may request during the term of this Agreement.

4.16. Compliance with Law. At all times the Manager will comply, and will use its best efforts to cause the Railroad and every user of the Units to comply in all material respects (including, without limitation, with respect to the use, maintenance and operation of the Units) with all laws of the jurisdictions in which its or such lessee's or such user's operations involving the Units may extend, with the interchange rules of the AAR and with all lawful rules of the DOT, the ICC and any other governmental authority exercising any power or jurisdiction over the Units, to the extent that such laws or rules affect the title, operation or use of the Units, provided that the Manager may, in good faith, contest the validity or application of any such law or rule by appropriate proceedings which do not, in the opinion of the Owner or the Lender, involve any reasonable danger of the sale, forfeiture or loss of the Units or any part thereof.

5. Collection of Owner's Revenue. The Manager, at its own expense, shall at all times use its best efforts to collect all sums due the Owner with respect to the Units, including without limitation, per diem, incentive per diem, mileage, penalties, demurrage, railroad indemnity payments, insurance proceeds, and all payments made on account of Builder's warranties. All such revenue received by the Manager shall be remitted to the Owner on the last business day of the month in which such revenue is received, by the Manager depositing said funds into a bank account to be established by the Owner; provided, however, that at any time when the Manager receives or is holding revenue equal to or exceeding \$30,000, such revenue promptly shall be remitted to the Owner by the Manager depositing such funds into the aforesaid bank account to be established by the Owner. The Manager shall have no authority to draw checks or drafts against the Owner's account and shall only be authorized to deposit funds into said account as agent for the Owner. It is understood and agreed that the Manager shall not retain, withhold or offset any of the revenues which it receives on behalf of the Owner for or against any claims the Manager or any other person may have against the Owner, or the Units, which claims arise out of this Agreement or otherwise. If, in order to collect any sums due the Owner, the Manager deems it necessary to retain the services of outside counsel, the expense of such counsel shall be borne by the Owner, provided that the Manager has secured prior approval from the Owner.

6. Disbursement and Reimbursement of Expenses.

A. The Manager shall pay all expenses incurred by the Manager on behalf of the Owner, in the delivery and marking of the Units, recording all documentation pertaining thereto, maintaining and insuring the Units, and all other charges, assessments or levies imposed upon or against the Units (other than charges, assessments or levies payable by the Railroad under the Lease) of whatever kind or nature, and, in the Manager's discretion, defend against any such charges and seek revision or appeal from any assessment or charge deemed improper, all such actions to be in the name of the Owner. The Owner shall reimburse the Manager for all such expenses paid by the Manager which are, by the terms of this Agreement, expenses of the Owner. The Owner shall not reimburse the Manager for any and all expenses incurred by the Manager which are, by the terms of this Agreement, expenses of the Manager.

B. All reimbursements payable to the Manager by the Owner shall be made from the "working capital" account established and funded by the Owner and administered by the Manager against which account the Manager may draw such reimbursements. The Owner will at all times maintain positive balances not in excess of \$10,000 in said account and will make regular deposits within ten days of receipt of notice from the Manager that anticipated expenditures from the account will deplete the then existing balance. The Manager agrees, however, that it shall not pay, on behalf of the Owner, those bills, invoices and expenses which the Owner notifies the Manager the Owner wishes to pay directly to the person or entity who submits said statement or invoice, and shall forward a duplicate copy of said statement or invoice to the Owner for said purpose. In addition and notwithstanding the provisions of Section 4.16 hereof to the contrary, the Manager shall not make any payments for special improvements to the Units which may be required by the AAR, ICC, or other regulatory authority or for liability claims for damage or loss assessed against the Owner, without the Owner's prior written consent.

7. Compensation. As compensation for its services hereunder, the Owner shall pay to the Manager the amounts hereinafter in this Section 7 provided, in addition to reimbursing the Manager for its out-of-pocket disbursements as otherwise in this Agreement provided.

7.1 Commencement Fee. As compensation for the services of the Manager to be performed pursuant to Section 4.2 and 4.3 hereof, and contemporaneous with payment of the purchase price to the Builder by the Owner for the last Unit to be delivered pursuant to the Purchase Agreement, the Owner shall pay to the

Manager an amount equal to five percent (5%) of the aggregate purchase price paid or payable by the Owner to the Builder pursuant to invoices of the Builder presented to the Owner with respect to all Units theretofore delivered and accepted under the Purchase Agreement and this Agreement.

7.2 Monthly Fee. Promptly following the end of each month during the term hereof, the Owner shall pay to the Manager an amount equal to \$30 multiplied by the number of Units subject to this Agreement during such month, such fee to be reduced proportionately with respect to any Unit which is subject to this Agreement for less than the full number of days in such month; provided, however, that on January 1 of each year commencing 1981, the \$30 per Unit per month fee shall be adjusted by multiplying such \$30 fee by a fraction, the numerator of which is the gross revenue which a boxcar with an XM or then equivalent designation, an original cost of \$45,001 and a delivery date of May 1, 1980 would earn in one year assuming 100% "off-line" utilization and an average distance traveled of 65 miles per day based upon prevailing ICC rates as of the date of determination, and the denominator of which is (i) for the years 1982 - 1985, \$10,065, (ii) for the years 1986 - 1990, \$8,884, and (iii) for the years 1991 and thereafter, \$7,746; provided, further, that until the earlier of

(a) December 31, 1981, or

(b) the Recourse Release Date (as defined in Section 1.1 of the Loan Agreement),

the Owner shall pay to the Manager only \$10 per Unit per month of the aforesaid \$30 per Unit per month fee. For purpose of payment of the aforesaid \$30 per Unit monthly fee, each Unit shall be deemed to first be subject to this Agreement on the day that it is first loaded and placed in revenue earning service. If the Recourse Release Date occurs prior to December 31, 1981, the Owner promptly upon the happening of such events, shall pay to the Manager the difference between (x) the amounts theretofore paid the Manager under this Section 7.2, and (y) the amounts which would have been paid to the Manager under this Section in the absence of the second proviso contained in the first sentence of this Section; it being understood that if the events described in clause (b) above do not occur prior to December 31, 1981 or if the Lease is terminated with respect to the Units prior to such date pursuant to Section 13H thereof, then the Owner shall have no obligation at any time to make payment to the Manager of such difference.

8. DISCLAIMER OF WARRANTIES. THE OWNER MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE DESIGN OR CONDITION OF, OR AS TO THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE UNITS DELIVERED TO THE MANAGER HEREUNDER, AND THE OWNER MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS OF THE UNITS FOR ANY PARTICULAR PURPOSE OR AS TO TITLE TO THE UNITS OR ANY COMPONENT THEREOF, NOR SHALL OWNER BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING STRICT LIABILITY IN TORT), it being agreed that all such risks, as between the Owner and the Manager, are to be borne by the Manager. The Manager's delivery of a Certificate of Acceptance shall be conclusive evidence as between the Manager and the Owner that all Units described therein are in all the foregoing respects satisfactory to the Manager, and the Manager will not assert any claim of any nature whatsoever against the Owner based on any of the foregoing matters.

9. Subordination. This Agreement and the Manager's authority and rights hereunder are subject and subordinate to the lien and security interest upon the Units and revenues generated by the Units in favor of any lender to whom the Owner has granted or may grant a security interest in the Units. If so requested by the Owner, the Manager shall provide to any such lender written evidence confirming that the Manager's authority and rights hereunder are so subject and subordinate to any such lien and security interest upon the Units and revenues generated by the Units.

10. Assignment by Owner.

A. The Owner and any direct or remote assignee of any right or interest of the Owner hereunder shall have the right at any time or from time to time to assign part or all of its right, title and interest in and to this Agreement, but the Manager shall be under no obligation to any assignee except upon receipt of written notice of such assignment from the Owner or such Assignee.

B. In the event of any assignment of all or any part of its right, title and interest in and to this Agreement by the Owner (a) upon notice by the Owner to the Manager, the Manager will make all payments of amounts due the Owner hereunder directly to the assignee; (b) the Manager's obligations hereunder, shall not be made subject to any reduction, abatement, defense, setoff, counterclaim or recoupment for any reason whatsoever, which, however, shall not prevent the Manager from asserting any claim separately against the Owner or exercising its rights hereunder; (c) the Manager will not, after obtaining knowledge of any such assignment, consent to any modification of this Agreement without the consent of the Owner and such assignee; and (d) the Manager will provide to the Owner and such assignee such certificates,

statements or other information as the Owner or such assignee may reasonably request, including, without limitation, a certificate certifying the absence of any default or Event of Default hereunder, if such be the case.

11. Default. The occurrence of any of the following events shall be an event of default:

(a) The non-payment by the Manager to the Owner of any sum required herein to be paid by the Manager within 10 days after any such payment is due.

(b) The breach by the Manager of any other term, covenant, or condition of this Agreement, which is not cured within 30 days after written notification of breach.

(c) Any act of insolvency by the Manager or the filing by the Manager of any petition or action under any bankruptcy, reorganization, insolvency or moratorium law, or any other law or laws for the relief of, or relating to, debtors.

(d) The filing of any involuntary petition under any bankruptcy, reorganization, insolvency or moratorium law against the Manager that is not dismissed within sixty (60) days thereafter, or the appointment of any receiver or trustee to take possession of the properties of the Manager unless such petition or appointment is set aside or withdrawn or ceases to be in effect within sixty (60) days from the date of the said filing or appointment.

12. Remedies. Upon the occurrence of any event of default and in addition to any other remedies provided under applicable law, the Owner may, at its option, terminate this Agreement or proceed by any lawful means to enforce performance by the Manager of this Agreement.

13. Indemnification. The Owner shall defend (if such defense is tendered to the Owner), indemnify and hold the Manager harmless from and against any and all claims, actions, damages, expenses (including reasonable attorneys' fees and reasonable cost of investigation) losses or liabilities incurred by or asserted against the Manager as a result of the use, operation, possession, control, maintenance, repair or storage of the Units including, claims for injury to or death of persons, loss of or damage to property (including the Units) and economic loss due to the unavailability for use of the Units; provided, however, that the Owner shall not defend, indemnify or hold the Manager harmless from and against, and the Manager shall not be exculpated from, any claim, action, damage, expense, loss or liability directly or

indirectly caused by or arising from the negligence, bad faith, recklessness, or willful misconduct of the Manager.

14. Conflicts of Interest. The Owner expressly acknowledges that the Manager and its affiliates, including without limitation Braecar, Inc. and Brae Railcar Management, Inc., may own and/or manage railcars substantially similar to the Units managed hereunder.

15. Notices. Any notice required or permitted hereunder shall be in writing and shall be valid and sufficient if delivered personally or dispatched in any post office of the United States by registered or certified mail, postage prepaid, addressed to the other party as follows:

If to the Manager: Brae Corporation
Three Embarcadero Center
Suite 1760
San Francisco, California 94111
ATTENTION: Vice President - Marketing
Investor Programs

If to the Owner: Hillman Manufacturing Company
P. O. Box 510
Brownsville, Pennsylvania 15417
ATTENTION: Secretary

with a copy to: Operating Lease Services, Inc.
c/o Gollust & Tierney, Inc.
30 Rockefeller Plaza, Suite 4510
New York, New York 10020
ATTENTION: President

Any party may change such address by notice given to the other party in the manner set forth above.

16. Miscellaneous.

16.1 Governing Law. This Agreement shall be governed by and construed under the laws of the State of California.

16.2 Counterparts. This Agreement may be executed in several counterparts, such counterparts together constituting but one and the same instrument, but to the extent, if any, that this Agreement constitutes chattel paper (as such term is defined in the Uniform Commercial Code as in effect in any applicable jurisdiction), no security interest in this Agreement may be created through the transfer or possession of any counterpart other than the original counterpart which shall be identified as the counterpart containing the receipt therefor executed by the

Lender on the signature page thereof and all other counterparts shall be deemed to be duplicates.

16.3 Execution. Although for convenience this Agreement is dated as of the date first above set forth, 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.

16.4 Headings. Titles and headings of the Sections and Subsections of this Agreement are for the convenience of reference only and do not form a part of this Agreement and shall not in any way affect the interpretation hereof.

16.5 Amendment. No explanation or information by either of the parties hereto shall alter or affect the meaning or interpretation of this Agreement and no modification or amendment to this Agreement shall be valid unless in writing and executed by both parties hereto.

16.6 Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties hereto; provided, however, that, subject to the provisions of Section 10 hereof, no assignment hereof by the Owner or the Manager or transfer of any of the Owner's or the Manager's rights hereunder whether by operation of law or otherwise shall be valid and effective as against the Manager or the Owner without the prior written consent of both the Manager and the Owner, which consent shall not be unreasonably withheld.

16.7 Force Majeure. Neither party hereto shall be deemed to be in breach or in violation of this Agreement if either is prevented from performing any of its obligations hereunder for any reason beyond its reasonable control including, without limitation, acts of God, riots, strikes, fires, storms, public disturbances, or any regulation of any Federal, State or local government or any agency thereof.

16.8 Waiver. The waiver of any breach of any term or condition hereof shall not be deemed a waiver of any other or subsequent breach, whether of like or different nature.

16.9 Severability. If any term or provision of this Agreement or the performance thereof shall to any extent be invalid or unenforceable, such invalidity or unenforceability shall not affect or render invalid or unenforceable any other provision of this Agreement, and this Agreement shall be valid and enforced to the fullest extent permitted by law.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year set forth below.

BRAE CORPORATION

BY: 

HILLMAN MANUFACTURING COMPANY

BY: 
Steven N. Hutchinson
Vice President

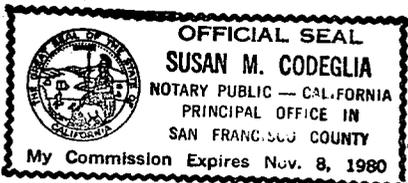
THE RIGHT, TITLE, AND INTEREST OF HILLMAN MANUFACTURING COMPANY IN AND TO THIS MANAGEMENT AGREEMENT HAS BEEN ASSIGNED TO AND IS SUBJECT TO A SECURITY INTEREST IN FAVOR OF MANUFACTURERS HANOVER LEASING CORPORATION UNDER A LOAN AND SECURITY AGREEMENT DATED AS OF THE DATE OF THIS MANAGEMENT AGREEMENT, WHICH LOAN AND SECURITY AGREEMENT HAS BEEN FILED WITH THE ICC PURSUANT TO 49 U.S.C. 11303.

THIS AGREEMENT HAS BEEN EXECUTED IN SEVERAL COUNTERPARTS. TO THE EXTENT, IF ANY, THAT THIS AGREEMENT CONSTITUTES CHATTEL PAPER (AS SUCH TERM IS DEFINED IN THE UNIFORM COMMERCIAL CODE AS IN EFFECT IN ANY APPLICABLE JURISDICTION) NO SECURITY INTEREST IN THIS AGREEMENT MAY BE CREATED THROUGH THE TRANSFER OR POSSESSION OF ANY COUNTERPART OTHER THAN THE ORIGINAL COUNTERPART WHICH SHALL BE IDENTIFIED AS THE COUNTERPART CONTAINING THE RECEIPT THEREFOR EXECUTED BY MANUFACTURERS HANOVER LEASING CORPORATION ON THE SIGNATURE PAGE HEREOF, AND ALL OTHER COUNTERPARTS SHALL BE DEEMED TO BE DUPLICATES.

STATE OF CALIFORNIA

COUNTY OF San Francisco

On this 2nd day of May, 1980, before me personally appeared Amy A. Riessen, to me personally known, who being by me duly sworn says that such person is Vice President of BRAE CORPORATION, that the foregoing Management Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of such corporation.



Susan M. Codeglia
NOTARY PUBLIC

COMMONWEALTH OF PENNSYLVANIA)

: SS:

COUNTY OF ALLEGHENY)

On this 12th day of May, 1980, before me personally appeared Steven N. Hutchinson, to me personally known, who, being by me duly sworn, says that he is a Vice President of HILLMAN MANUFACTURING 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.

Dianna Lee Withum
NOTARY PUBLIC

DIANNA LEE WITHUM, Notary Public
Pittsburgh, Allegheny County, PA.
My Commission Expires March 5, 1984

EXHIBIT A TO MANAGEMENT AGREEMENT

<u>Manufacturer</u>	<u>Specifications</u>	<u>Maximum Quantity</u>	<u>Identification Numbers (Both Inclusive)</u>	<u>Delivery</u>
Pullman Incorporated	Steel 50 foot 70 ton Boxcars, Mechanical Designation XM	200	SNCT 1100 -- SNCT 1299	April 28, 1980 to June 30, 1980

EXHIBIT B TO
MANAGEMENT AGREEMENT

Certificate of Acceptance No. _____

Reference is made to (i) the Lease Agreement dated as of January 14, 1980 as amended by Amendment No. 1 to Lease Agreement dated as of April 24, 1980, each between Brae Corporation ("Brae"), as Lessor, and Seattle & North Coast Railroad Company ("Railroad"), as Lessee (the Lease Agreement as so amended by the Amendment No. 1 to Lease Agreement being herein called the "Lease") (ii) Letter Agreements dated January 22, 1980, August 28, 1978, and August 4, 1978 (collectively, the "Purchase Agreement") between Brae Corporation and Pullman Incorporated (Pullman Standard Division); (iii) the Assignment of the Lease Agreement between Brae Corporation as Assignor and Hillman Manufacturing Company ("Hillman") as Assignee and dated April 24, 1980; (iv) the Assignment of the Purchase Agreement between Brae Corporation as Assignor and Hillman as Assignee dated April 24, 1980; (v) the Management Agreement between Brae Corporation and Hillman dated April 24, 1980; (vi) the Loan and Security Agreement dated as of April 24, 1980 between Hillman and Manufacturers Hanover Leasing Corporation ("Lender"), all relating to up to 200 general purpose railroad boxcars ("Units") described in Equipment Schedules 2 and 3 to the Lease Agreement.

The undersigned hereby certifies that:

1. He is an employee or agent of Brae Corporation duly authorized to receive delivery of, inspect and accept the Units on behalf of the Railroad and Hillman.

2. The Units, whose serial numbers are listed below (i) have been delivered by the Builder, (ii) have been inspected by the undersigned, (iii) conform to the specifications for the Units referred to in the Purchase Agreement, (iv) conform to all requirements and interchange standards of the Association of American Railroads, the Interstate Commerce Commission and the Department of Transportation, (v) conform to all other specifications and requirements of the Lease Agreement and the Management Agreement, and (vi) are marked in accordance with the requirements of Section 4 of the Lease Agreement, Section 6.18 of the Loan and Security Agreement and Section 4.11 of the Management Agreement.

The undersigned hereby accepts the Units whose Serial Numbers are listed below on behalf of (a) Hillman pursuant to the Purchase Agreement and Section 4.3 of the Management Agreement, and (b) the Railroad pursuant to Paragraph 3 of the Lease Agreement.

THE BRAE CORPORATION

Dated: _____

BY: _____

Total Number of Units Accepted
Pursuant to this Certificate:

EXHIBIT C TO MANAGEMENT AGREEMENT

<u>Agreement (Date)</u>	<u>Parties</u>	<u>Quantity and Specifications</u>	<u>Equipment</u>	<u>Identifica- tion Numbers</u>
Management Agreement (April 23, 1979)	BRAE Corporation Hillman Coal & Coke Company	250, 10' sliding doors 50'7" 70-ton XP Box 50'7" 70-ton XM Box 50'6" 70-ton XM Box		MCSA 7000-7124 MCSA 6000-6074 MCSA 6075-6124
Management Agreement (July, 1979)	BRAE Corporation MDFC Equipment Leasing Corporation	75 40'6" Rebuilt General Purpose XM Boxcars having 8' sliding doors		NSCR 425-499
Project Agreement (February 12, 1980)	BRAE Rail Venture Corporation PACCAR, Inc.	9000, double 8' plug 50'6" 100-ton XM Boxcar 52'6" 70-ton XM Boxcar 60'6" (between bulkheads) Bulkhead Flat, 100-ton		TOE 3000-3199 ADN 9700-9899 Way (315) Grande Ronde (100)
Management Agreement (February 12, 1980)	BRAE Corporation PACCAR, Inc.			

and

Railcar Management and Service Agreement (March 1, 1980)	BRAE Corporation Manufacturers National Bank of Detroit, or Trustee	Approximately 1150 60'6" 7025 cu. ft. Wood- chip car 100-ton 3500 cu. ft., 3 compartment, Steel covered Hopper car, with circular hatches 100-ton 4650 cu. ft., Steel Covered Hopper car, with through type hatches	ADN 4100-4199 GMRC 2000-2099 WAR 15200-15299 WAR 16100-16499
Agreement (December 12, 1979)	BRAE Railcar Management, Inc. American Leasing Investors	25 50'6" General Purpose XM Boxcars having 10' sliding doors, 70-ton	GMRC 11075-11099
Management Agreements (December, 1979)	BRAE Railcar Management, Inc. Various Individuals	100 50'6" General Purpose XM Boxcars having 10' sliding doors, 70-ton	SM 9001-9100
Management Agreements (December, 1979)	Brae Railcar Management, Inc. Various Individuals	75 50'6" General Purpose XM Boxcars having 10' Doors	GMRC 11000-11074