Rec. No ____ -A

$50

LAW OFFICES
ALVORD AND ALVORD
200 WORLD CENTER BUILDING
918 SIXTEENTH STREET, N.W.
WASHINGTON, D.C.
20006

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD
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CARL C. DAVIS*
CHARLES T. KAPPLER
JOHN H. DOYLE
MILTON C. GRACE*
GEORGE JOHN KETO**
RICHARD N. BAGENSTOS

* NOT A MEMBER OF D.C. BAR
**ALSO A MEMBER OF OHIO BAR

OF COUNSEL
JESS LARSON
JOHN L. INGOLDSBY
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CABLE ADDRESS
"ALVORD"

TELEPHONE
AREA CODE 202
393-2266

TELEX
440348 CDAA UI

RECORDATION NO. 13036 Filed 1425

April 1, 1981

APR 2 1981 -9 45 AM
INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 13036 Filed 1425

APR 2 1981 -9 45 AM
INTERSTATE COMMERCE COMMISSION

No. 1-092A018
Date APR 2 1981
Fee $ 50.00
ICC Washington, D. C.

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FEE OPERATION BR.

Ms. Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
Washington, D.C.

Dear Madam:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. §11303(a) and the regulations thereunder are counterparts each of a Lease of Railroad Equipment dated as of March 1, 1981 and an Assignment of Lease and Agreement dated as of March 1, 1981 ("Documents").

A general description of the railroad equipment covered by the Documents is:

> One hundred twenty-six (126) 4,000 cubic foot capacity 100-ton rotary dump railroad coal cars bearing reporting mark and numbers RECX 2001 through RECX 2124, both inclusive, RECX 1001 and RECX 1002.

The names and addresses of the parties to the Documents are:

Lessor/Assignor: Wilmington Trust Company, as Owner, Trustee
10th and Market Street
Wilmington, Delaware 19899

Lessee: Central Louisiana Electric Company, Inc.
415 Main Street
Pineville, Louisiana 71360

Recordation of C.T. Kappler

Assignee: The Connecticut Bank and Trust Company, as Agent
One Constitution Plaza
Hartford, Connecticut 06115

The undersigned is agent for the Assignee for the purpose of submitting the Documents for recordation and has knowledge of the matters set forth therein.

Please return the stamped counterparts of the Documents not needed for your files to Charles T. Kappler, Esq., Alvord and Alvord, 918 16th Street, N.W., Suite 200, Washington, D.C. 20006 or to the bearer hereof.

Also enclosed is a remittance in the amount of $50.00 in payment of the required recordation fee.

Very truly yours,

Charles T. Kappler

Charles T. Kappler

Enclosures

1

-A

RECORDATION NO. 13036-A Filed 1425

APR 2 1981 -9 45 AM

INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF LEASE AND AGREEMENT

between

WILMINGTON TRUST COMPANY, as Owner Trustee,
Lessor,

and

THE CONNECTICUT BANK AND TRUST COMPANY,
as Agent

Dated as of March 1, 1981

LESSEE'S CONSENT AND AGREEMENT

by

CENTRAL LOUISIANA ELECTRIC COMPANY, INC.,
Lessee

Dated as of March 1, 1981

ASSIGNMENT OF LEASE AND AGREEMENT, dated as of March 1, 1981, between WILMINGTON TRUST COMPANY, not individually but solely as trustee (the "Lessor") under the Trust Agreement, dated as of March 1, 1981, with Manufacturers Hanover Leasing Corporation (the "Owner"), and THE CONNECTICUT BANK AND TRUST COMPANY, not in its individual capacity but solely as Agent (the "Agent") under a Participation Agreement dated as of the date hereof (the "Participation Agreement") among the Owner, the Lessor, the Agent, Central Louisiana Electric Company, Inc. (the "Lessee"), and the Lender referred to therein. Capitalized terms used herein without definition are used with the meaning given in the Lease referred to in paragraph B of the Recitals, below.

RECITALS

A. The Lessor and Thrall Car Manufacturing Company (the "Manufacturer") have entered into the Conditional Sale Agreement, providing for the sale of the Equipment to the Lessor by the Manufacturer, and the Manufacturer and the Agent have entered into an Assignment of Conditional Sale Indebtedness (the "CSI Assignment"), providing for the assignment to the Agent of the Manufacturer's interest in the Conditional Sale Agreement and the Conditional Sale Indebtedness payable thereunder.

B. The Lessor and the Lessee have entered into the Lease of Railroad Equipment dated as of the date hereof (as the same may be amended, modified or supplemented in accordance with its terms and the terms hereof, the "Lease"), providing for the lease by the Lessee from the Lessor of the Equipment.

C. In order to provide security for the obligations of the Lessor, as Buyer, under the Conditional Sale Agreement and the Participation Agreement and as an inducement to the Agent to invest in the Conditional Sale Indebtedness, the Lessor has agreed to assign for security purposes its rights, in, to and under the Lease to the Agent.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, the parties hereto agree as follows:

Section 1. Assignment. The Lessor hereby assigns, transfers and sets over unto the Agent, as collateral security for the payment and performance of the obligations of the Lessor under the Conditional Sale Agreement, the CSI Assignment, and the Participation Agreement, all of the Lessor's right, title and interest, powers, privileges, and other benefits in, to and under the Lease, the Conditional Sale Agreement, the Purchase Agreement and the Purchase Agreement Assignment, including, without limitation, the present and immediate right, to the exclusion of the Lessor, to receive and collect all Basic Rent and Additional Rent, profits and other sums payable to or receivable by the Lessor from the Lessee or others under or pursuant to the provisions of the Lease whether as rent, casualty payment, termination payment, indemnity, liquidated damages, or otherwise, but excluding Excepted Payments (such moneys being collectively referred to herein as the "Payments"), and, as more specifically provided in Section 5, the immediate right, together with the Lessor (but to the exclusion of the Lessor if a Conditional Sale Default or Event of Default shall have occurred and be continuing), to make all waivers and agreements, to give all notices, consents, approvals and releases, and to do any and all other things whatsoever which the Lessor is or may become entitled to do under the Lease or its other Basic Agreements, including without limitation the taking of action upon a Lease Event of Default and the exercise of any or all of the remedies under Sections 17 and 18 of the Lease.

"Excepted Payments", as used in this Assignment, shall mean any indemnity or other payment which is payable to the Lessor or the Owner under Section 6.1, 6.2 or 6.3 of the Lease and any proceeds of general public liability insurance payable to the Owner or the Lessor.

Section 2. Acceptance and Application of Payments. The Agent shall accept any Payments made by the Lessee or others pursuant to the Lease, the Conditional Sale Agreement and the CSI Assignment and, to the extent received, will apply such Payments and other amounts to satisfy the obligations of the Owner and the Lessor under this Agreement, the Conditional Sale Agreement, the CSI Assignment, and the Participation Agreement, all as more fully provided in Section 3 of this Agreement. If the Agent shall not receive any payment of Basic Rent under the Lease when due, or an officer or an employee of the Corporate Trust Department of the Agent shall have actual knowledge that it shall not have received any other Payment under the

Lease when due, the Agent shall so notify the Lessor and each of the Lenders, provided that failure of the Agent so to notify the Lessor shall not limit the obligations of the Lessor under any of its Basic Agreements.

Section 3. Distribution and Application of Amounts Paid under Basic Agreements. 3.1. Payments under Lease and Conditional Sale Agreement. Except as otherwise provided in Sections 3.2 and 3.5, each payment of Basic Rent or Additional Rent other than Excepted Payments received by the Agent pursuant to Section 3 of the Lease and this Assignment, and all payments received by the Agent pursuant to the Conditional Sale Agreement and the CSI Assignment on account of the principal of or interest on the Conditional Sale Indebtedness shall be applied by the Agent promptly on receipt thereof, first, to the payment to the Lenders of all interest on, and all installments of, the Conditional Sale Indebtedness then due and payable, ratably, without priority of one over the other, in the proportion that the aggregate amount of such payments then due to each of the Lenders bears to the aggregate amount of such payments then due to all Lenders, and, second, the balance, if any, of such payments remaining thereafter shall be distributed to the Lessor, provided that if at the time of the receipt by the Agent of any amount referred to in this Section 3.1 a Conditional Sale Default or Event of Default shall have occurred and be continuing, the Agent shall retain such amount (to the extent not then required to be distributed pursuant to clause "first" of this Section 3.1) either (i) until such time as there shall not be continuing any Conditional Sale Default or Event of Default, at which time such amount shall be distributed by the Agent pursuant to clause "second" of this Section 3.1, or (ii) until such time as a Declaration of Default has occurred and is continuing, at which time such amount shall be distributed by the Agent pursuant to Section 3.5; provided, however, that if any such amount has been retained by the Agent more than 190 days during the continuance of a Conditional Sale Default or Event of Default, as the case may be (other than under circumstances when the provisions of Section 17.1(a) of the Lease or Section 17(b) of the Conditional Sale Agreement are applicable) and no Declaration of Default has occurred, then any such amount held by the Agent pursuant to the preceding proviso for more than 190 days shall be distributed by the Agent pursuant to such clause "second".

3.2. Termination Payments and Casualty Occurrences. Any payment pursuant to Section 7.3 or 13 (in connection with a sale of all the Units) of the Lease shall

be accepted by the Agent and promptly applied by it in the order of priority set forth in clauses "first" through "fourth" of Section 19.6 of the Conditional Sale Agreement. Except as otherwise provided in Section 3.5, any payment pursuant to Section 7.1 or 13 (in connection with a sale of 50% of the Units) of the Lease or Section 9.2 of the Conditional Sale Agreement, or as insurance proceeds with respect to any Unit (to the extent such payment is not at the time required to be paid to the Lessee pursuant to Section 7.2 of the Lease) shall be accepted by the Agent and promptly applied by it, first, to the prepayment of a portion of each of the remaining installments of the Conditional Sale Indebtedness then outstanding, and accrued and unpaid interest thereon, if any, but without premium, in an amount equal to the amount of each such installment multiplied by the number of Units subjected to such Casualty Occurrence or sold, as the case may be, and divided by the number of all Units subject to the Lease immediately prior to such Casualty Occurrence or sale, as the case may be, ratably to the Lenders, without priority of one over the other, in the proportion that the aggregate unpaid principal amount of the outstanding Conditional Sale Indebtedness allocable to each such Lender bears to the aggregate unpaid principal amount of all outstanding Conditional Sale Indebtedness, and, second, subject to the proviso in Section 3.1, the balance, if any, remaining thereafter shall be distributed to the Lessor.

3.3. Indemnities. Except as otherwise provided in Section 3.5, all indemnity payments, payments for taxes or for the discharge of liens on the Equipment, or other similar payments received by the Agent from or on behalf of the Lessee or the Lessor pursuant to Section 8, 14 or 15 of the Conditional Sale Agreement, Section 6 of the Lease or Section 13 of the Participation Agreement shall promptly on receipt by the Agent be paid to the person entitled to such amounts under such provision, provided however, notwithstanding the provisions of Section 3.5 or any other provision of this Agreement, all Excepted Payments received by the Agent shall promptly be paid over to the person entitled to such Excepted Payments pursuant to the Lease.

3.4. Other Payments. Except as otherwise provided in Section 3.5, any other payments received by the Agent for which provision as to the application thereof is made in the Lease or the Security Documents shall be applied for the purpose for which such payments were made in accordance with the terms of such documents.

3.5. Action on Declaration of Default. If a Declaration of Default has occurred and is continuing, the Agent shall apply all amounts received hereunder in the order of priority set forth in clauses "first" through "fourth" of Section 19.6 of the Conditional Sale Agreement.

3.6. Manner of Payment. All payments to be made by the Agent hereunder to a Lender or the Lessor shall (subject to timely receipt by the Agent of available funds) be made on the date such payment is due by bank wire transfer of immediately available funds, in the case of the Lender or the Lessor at its address set forth for payments in the Participation Agreement or at such other address as it shall have specified to the Agent in writing, or, upon written request of such Lender or the Lessor, by check in New York Clearing House funds mailed to it at such address as may be specified to the Agent in writing, and in the case of any transferee of the Lender or the Lessor, by wire transfer or by check, in the manner above contemplated, as shall be specified by such transferee by notice to the Agent.

Section 4. Lessor's Lease Obligations Unaffected. The execution and delivery of this Assignment shall not subject the Agent to, or transfer, or pass, or in any way affect or modify the liability of the Lessor under the Lease, it being understood and agreed that, notwithstanding this Assignment or any subsequent assignment, all obligations of the Lessor to the Lessee under the Lease shall be and remain enforceable by the Lessee and its successors and assigns against, and only against, the Lessor.

Section 5. No Waiver or Modification of Lease; Rights of Agent. To protect the security afforded by this Assignment the Lessor agrees that, without the written consent of the Agent or a Majority in Interest of Lenders, the Lessor will not exercise any election or option under the Lease or make any decision or determination or give any notice, consent, waiver or approval under or in respect thereof or accept any surrender of the Equipment thereunder or anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee of or from the obligations, covenants, conditions and agreements to be performed by the Lessee under the Lease, including, without limitation, the obligation to pay the rents in the manner and at the time

and place specified therein, or enter into any agreement amending, modifying or terminating the Lease, and the Lessor agrees that any such action without such consent shall be void, provided that (i) the Lessor may without such consent but with notice to the Agent give the notice and exercise its rights under Section 7.3 of the Lease, exercise rights to solicit bids pursuant to Section 13 of the Lease, and (ii) the Lessor may without such consent amend or supplement the Lease, pursuant to the provisions of Sections 3.5 and 7.1 of the Lease, to provide for an increase or decrease of amounts due as rentals under Section 3 thereof and/or as Casualty Values under Section 7.1 or Termination Values under Sections 7.3 or 13 thereof, provided that no such decrease shall reduce such amounts below those necessary to satisfy the obligations of the Lessor under the Conditional Sale Agreement with respect to installments of principal of and interest on the Conditional Sale Indebtedness as and when the same shall become due and payable, notwithstanding any limitation of liability of the Lessor contained therein. In furtherance of the rights of the Agent hereunder, the Lessor agrees that after the occurrence and during the continuation of a Conditional Sale Event of Default or Declaration of Default, the Agent shall have and shall exercise, to the exclusion of the Lessor and without requirement of obtaining any consent from the Lessor, all rights of the Lessor under Sections 17 and 18 of the Lease.

Section 6. Agent Constituted as Lessor's Attorney. The Lessor does hereby constitute the Agent the Lessor's true and lawful attorney, irrevocably, with full power (in the name of the Lessor, or otherwise), to ask, require, demand, and receive, any and all Payments due and to become due under or arising out of the Lease to which the Lessor is or may become entitled other than Excepted Payments, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which the Agent may deem to be necessary or advisable in the premises.

Section 7. Termination of Assignment. When and only when the Agent shall have received the full Conditional Sale Indebtedness (as defined in the Conditional Sale Agreement), together with interest and all other indebtedness and payments as provided in the Conditional Sale Agreement and the Participation Agreement, all the Lessor's obligations

contained in the Conditional Sale Agreement and the Participation Agreement shall have been performed, and all obligations of the Lessee to the Agent or the Lenders under the Lease and the Participation Agreement shall have been performed and discharged, this Assignment and all rights herein assigned to the Agent shall terminate, and all estate, right, title and interest of the Agent in, to and under the Lease shall revert to the Lessor.

Section 8. Further Assurances. The Lessor will, from time to time, do and perform any other act and will execute, acknowledge, deliver and file, register, deposit and record (and will re-file, re-register, re-record or re-deposit whenever required) any and all further instruments required by law or reasonably requested by the Agent in order to confirm, or further assure, the interests of the Agent hereunder.

Section 9. Further Assignment by Agent. The Agent may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Agent hereunder, provided the Lessor and the Lessee shall not be bound to honor such assignment until they have received written notice thereof. The Lessor and the Lessee may rely on instruments and documents of assignment which they believe in good faith to be true and authentic.

Section 10. Lessor Not Personally Liable. Wilmington Trust Company is entering into this Assignment solely as trustee for the Owner under the Trust Agreement and not in its individual capacity, and in no case whatsoever shall Wilmington Trust Company (or any entity acting as successor trustee, co-trustee or separate trustee under the Trust Agreement) be personally liable on, or for any loss in respect of, any of the statements, representations, warranties, agreements or obligations of the Lessor hereunder, as to all of which the Agent agrees to look solely to the Trust Estate (as such term is defined in the Trust Agreement), except for any loss caused by its own wilfull misconduct or gross negligence.

Section 11. Governing Law. This Assignment is being made and delivered in, and shall be governed by and

LESSEE'S CONSENT AND AGREEMENT

The undersigned, CENTRAL LOUISIANA ELECTRIC COMPANY, INC., a Louisiana corporation (the "Lessee"), the lessee named in the Lease (the "Lease") referred to in the foregoing Assignment of Lease and Agreement (the "Lease Assignment"), hereby (a) acknowledges receipt of a copy of the Lease Assignment and (b) consents to all the terms and conditions of the Lease Assignment and agrees that:

(1) the Lessee will pay all rentals, casualty payments, liquidated damages, indemnities and other moneys provided for in the Lease, except Excepted Payments (as defined in the Lease Assignment), in immediately available funds by 11:00 a.m., New York time, on the date due to The Connecticut Bank and Trust Company, not in its individual capacity but solely as agent (the "Agent"), the assignee named in the Lease Assignment, at One Constitution Plaza, Hartford, Connecticut 06115, Attention: Corporate Trust Department (or at such other address as may be furnished in writing to the undersigned by the Agent);

(2) the Agent shall be entitled to the benefits of, and to receive and enforce performance of, all the representations, warranties, indemnities, agreements and covenants of the Lessee under the Lease as though the Agent were originally named therein as the Lessor;

(3) the Lessee will not assert against the Agent any claim or defense which the Lessee may now or hereafter have against the Lessor;

(4) the Agent shall not, by virtue of the Lease Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise;

(5) if the Lessee fails to perform or comply with any of its agreements contained in Section 7.2 of the Lease, the Agent may upon notice to the Lessee itself perform or comply with such agreement, and the amount of the reasonable costs and expenses of the Agent incurred in connection with such performance or compliance, together with interest on such amount at the rate of 15 3/4% per annum, shall be payable by the Lessee upon demand; and

construed in accordance with the laws of, the State of New York.

Section 12. Notices. The Lessor shall cause copies of all notices received in connection with the Lease to be promptly delivered or made to the Agent at its address set forth in Section 17.1 of the Participation Agreement, or at such other address as the Agent shall designate.

Section 13. Miscellaneous. The captions in this Assignment are for convenience of reference only and shall not define or limit any of the terms or provisions hereof. References herein to sections without reference to the document in which they are contained are references to this Assignment. This Assigment may be executed in any number of counterparts, all of which together shall constitute but one and the same instrument, but the counterpart delivered to the Agent shall be deemed to be the original counterpart.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be duly executed by their respective officers thereunto duly authorized as of the day and year first above written.

WILMINGTON TRUST COMPANY,
as Owner Trustee

[Seal]

By _____
Vice President

Attest:

_____
Trust Officer

THE CONNECTICUT BANK AND TRUST COMPANY,
as Agent

[Seal]

By _____
Authorized Officer

Attest:

_____
Authorized Officer

STATE OF DELAWARE)
) ss.:
COUNTY OF NEW CASTLE)

On the 1st day of April, in the year 1981, before me personally came Clark H. Walley, to me known, who being by me duly sworn, did depose and say that he resides at Wilmington, Delaware, that he is Vice President of Wilmington Trust Company, the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that one of the seals affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

Theresa M. Kral
Notary Public

[NOTARIAL SEAL]

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 1st day of April, in the year 1981, before me personally came F W Kawam, to me known, who being by me duly sworn, did depose and say that he resides at S-Windsor, Conn., that he is Vice President of The Connecticut Bank and Trust Company, the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that one of the seals affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

Josephine Kellejan
Notary Public

[NOTARIAL SEAL]

JOSEPHINE KELLEJAN
NOTARY PUBLIC, State of New York
No. 31-7206550
Qualified In New York County
Term Expires March 30, 1982

(6) the Lease shall not, without the prior written consent of the Agent, be amended, terminated or modified, nor shall any action be taken or omitted by the undersigned, the taking or omission of which might result in an alteration or impairment of the Lease or this Consent and Agreement or of any of the rights created by any thereof or would conflict with the provisions of Section 5 of the Lease Assignment.

This Consent and Agreement shall be construed in accordance with the laws of the State of New York.

Dated as of March 1, 1981

[Seal]

CENTRAL LOUISIANA ELECTRIC COMPANY, INC.

Attest:

Secretary

By

Title: VICE PRESIDENT

The foregoing Consent and Agreement is hereby accepted as of the date set forth above.

[Seal]

THE CONNECTICUT BANK AND TRUST COMPANY, as Agent

Attest:

Authorized Officer

By

Authorized Officer

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 1st day of April, in the year 1981, before me personally came W. J. Thevenot, to me known, who being by me duly sworn, did depose and say that he resides at ALEXANDRIA, LA., that he is Vice President of Central Louisiana Electric Company, Inc., the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that one of the seals affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

Josephine Kellejan
Notary Public
JOSEPHINE KELLEJAN
NOTARY PUBLIC, State of New York
No. 31-7206550
Qualified in New York County
Term Expires March 30, 1982

[NOTARIAL SEAL]

My Commission expires

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 1st day of April, in the year 1981, before me personally came F. W. Kawam, to me known, who being by me duly sworn, did depose and say that he resides at S. Windsor, Conn., that he is Vice President of The Connecticut Bank and Trust Company, the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that one of the seals affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

Josephine Kellejan
Notary Public
JOSEPHINE KELLEJAN
NOTARY PUBLIC, State of New York
No. 31-7206550
Qualified in New York County
Term Expires March 30, 1982

[NOTARIAL SEAL]

My Commission expires