



NORTH AMERICAN CAR CORPORATION

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13153

June 5, 1981

RECORDATION NO. Filed 1425

Secretary
Interstate Commerce Commission
Washington, D. C. 20423

JUN 9 1981 - 2 25 PM

INTERSTATE COMMERCE COMMISSION

New Member

RE: Filing of Security Agreement ("Security Agreement") dated as of June 11, 1981, between North American Railcar Partners, Ltd. 1981-I ("Partners") and the Trustees of General Electric Pension Trust ("Trustees")

Dear Secretary:

Enclosed for recording under 49 U.S.C. §11303 are five executed counterparts of the Security Agreement. The Security Agreement governs the terms of Partners' Senior Secured Notes Due 1996 and grants to Trustees a security interest in those railcars described therein and those leases described therein and any future leases (other than subleases) related to such railcars to secure the payment of those Notes and Partners' performance under this Security Agreement.

Partners' address is 33 West Monroe, Chicago, IL 60603. Trustees' address is 112 Prospect St., Stamford, CT 06901, Att'n: Manager, Fixed Income Investments.

Also enclosed is a check payable to the Interstate Commerce Commission in the amount of \$50, as the recording fee for the Assignment. Pursuant to the Commission's rules and regulations for the recording of certain documents under 49 U.S.C. §11303, you are hereby requested to duly file a counterpart for record in your office and to return the remaining counterparts, together with the Secretary's Certificate of Recording, to the messenger making this delivery.

If you have any questions, please contact the undersigned.

Sincerely,

NORTH AMERICAN RAILCAR PARTNERS LTD. 1981-I

By NAC RAILCAR INVESTORS, INC.,
GENERAL PARTNER

By 
Edward H. Soderstrom II, Secretary

ES/ml
Enc.

Handwritten signatures and initials on the left margin, including a large signature and the name 'D. H. Soderstrom'.

13133

RECORDATION NO. Filed 1425

JUN 9 1981 - 2 25 PM

INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT

BETWEEN

NORTH AMERICAN RAILCAR PARTNERS, LTD. 1981-1

and

TRUSTEES OF GENERAL ELECTRIC PENSION TRUST

Dated as of June 11, 1981

SENIOR SECURED NOTES DUE 1996

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SECURITY AGREEMENT, dated as of June 11, 1981 (as amended or supplemented from time to time, "this Agreement"), between NORTH AMERICAN RAILCAR PARTNERS, LTD. 1981-I, an Illinois limited partnership, and

E. H. Malone, 9 Old Parish Road, Darien, Connecticut 06820, Arthur S. Bahr, 16 Great Pond Lane, West Redding, Connecticut 06896, Janet A. Hickey, 60 Urban Street, Stamford, Connecticut 06905, Duncan R. Roberts, 10 John Street, Chatham, New Jersey 07928, A. John Kohlhepp, 44 Marion Road, Westport, Connecticut 06880 and E. Bulkeley Griswold, 47 Keelers' Ridge Road, Wilton, Connecticut 06897;

not individually, but as Trustees of GENERAL ELECTRIC PENSION TRUST, a tax-exempt employees' pension trust having offices at 112 Prospect Street, Stamford, Connecticut 06901 (herein, together with their successors as such trustees, collectively called the "Trustees").

WHEREAS, the Partnership is a limited partnership formed under the Uniform Limited Partnership Act of the State of Illinois for the purposes of acquiring the Cars and of owning, financing, operating, leasing, selling and otherwise dealing with or disposing of the Cars and of managing the Cars, itself or through an independent manager, and of entering into, performing and carrying out contracts of any kind and of engaging in any and all activities necessary to, in connection with or incidental to the foregoing; and

WHEREAS, the Partnership has determined to issue, under the Secured Note Agreement and this Agreement, notes to be designated "Senior Secured Notes Due 1996" and to be in an aggregate principal amount not exceeding \$8,700,000, plus any Capitalized Interest; and

WHEREAS, the Partnership and NAC have entered into the Purchase Agreement providing for the purchase by the Partnership from NAC of the Cars; and

WHEREAS, the Partnership and NAC have entered into the Assignment of Leases providing for the assignment and transfer by NAC to the Partnership of all of NAC's interest as Lessor in and to, and the assumption by the Partnership of all of the obligations of NAC as Lessor under, the Leases upon the terms and subject to the conditions set forth in the Assignment of Leases; and

WHEREAS, the Partnership and NAC have entered into the Management Agreement providing for, among other things, (i) the appointment by the Partnership of NAC to act as manager of each Unit of Managed Equipment and, with respect to certain but not all sections of the Management Agreement, of each Unit of Leased Equipment, and (ii) the granting by the Partnership to NAC of the authority to enter into Leases relating to such Units and to collect monies and make disbursements on behalf of the Partnership, all upon the terms and subject to the conditions set forth in the Management Agreement; and

WHEREAS, the Partnership and NAC will enter into a bailment and security agreement providing for, among other things, the transfer by the Partnership to NAC of the Partnership's right to possession of the Units of Managed Equipment; and

WHEREAS, all acts and things have been done and performed which are necessary to make the Notes, when executed by the Partnership and delivered in exchange for payment therefor, the valid and binding obligations of the Partnership enforceable in accordance with their terms, and to make this Agreement a valid and binding agreement for the security of the Notes to be issued hereunder and under the Secured Note Agreement, and for the uses and purposes herein set forth, enforceable in accordance with its terms;

NOW, THEREFORE, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Partnership hereby covenants and agrees with the Trustees as follows:

GRANTING CLAUSE

The Partnership hereby Grants to the Trustees, as security for the payment of all Secured Indebtedness and the observance and performance by the Partnership of all of the provisions of this Agreement, the Notes and the Secured Note Agreement, all as herein or therein provided, all of the Partnership's estate, right, title, interest, claim and demand in, to and under the following Collateral, subject, in each case, to no Liens other than Permitted Encumbrances:

(a) the Cars, together with all accessories, equipment, parts and appurtenances appertaining or attached to the Cars, whether now owned or hereafter acquired, and all substitutions, renewals or replacements of, and additions, improvements and accessions to, the Cars;

(b) the Leases, together with all rights, powers, privileges and other benefits of the Partnership under the Leases in respect of the Cars, and all rentals, per diem, mileage or other payments now or hereafter to become payable to the Partnership in respect of the Cars, whether under or pursuant to the provisions of any of the Leases or otherwise; provided, however, that (i) the rights Granted to the Trustees pursuant to this clause (b) in respect of the Manager Lease or any Leases of Units of Managed Equipment are subject to the rights of the Lessees under such Leases, and (ii) the Trustees shall not, so long as any such Lessee is not in default under any such Lease, interfere with the rights of peaceful and undisturbed possession of such Lessee in and to any of the Cars in accordance with the terms of such Lease;

(c) the following additional Car Agreements:

- (i) the Assignment of Leases,
- (ii) the Management Agreement, and
- (iii) the Bailment and Security Agreement; and

(d) any and all proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or other liquidated claims, including, without limitation, all proceeds of insurance maintained by the Partnership or by railroads or other Persons, and all condemnation awards.

Anything herein contained to the contrary notwithstanding, the Partnership shall remain liable under the Leases, the Assignment of Leases, the Management Agreement and the Bailment and Security Agreement to perform all of its obligations thereunder, all in accordance with and pursuant to the respective terms and provisions thereof, and the Trustees shall have no obligation or liability under any of such instruments by reason of or arising out of the foregoing Grant, nor shall the Trustees be required or obligated in any manner to perform or fulfill any of the obligations of the Partnership pursuant to such instruments, or to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by the Trustees or the Partnership, or to present or file any claim, or to take any action

to collect or enforce the payment of any amounts which may have been assigned to the Trustees or the Partnership or to which they or it may be entitled at any time.

ARTICLE I

The Notes

SECTION 1.01. Authorization of the Notes. The Partnership has duly authorized the issue of its Notes in an aggregate principal amount not exceeding \$8,700,000, plus any Capitalized Interest. The Notes shall be (a) substantially in the form of Annex I attached hereto, (b) signed on behalf of the Partnership by an Executive Officer of the General Partner, (c) issued in denominations of \$100,000 or more, which shall be in integral multiples of \$1,000 (except as may be required to give effect to a partial prepayment), (d) payable in lawful money of the United States of America, and (e) issued only pursuant to Section 2 of the Secured Note Agreement and this Article I. The Notes shall bear Fixed Interest on the unpaid balance thereof as set forth therein and Variable Interest on the unpaid balance thereof as set forth therein and in this Agreement.

SECTION 1.02. Variable Interest. (a) As soon as such results are available, but not later than sixty (60) Business Days subsequent to (i) each March 31 and September 30 commencing with September 30, 1981, and (ii) July 31, 1996, the Partnership shall furnish to the Trustees statements, certified by the chief financial officer of the General Partner, setting forth in reasonable detail for the six-month period ended March 31, the twelve-month period ended September 30 (which may be less than a twelve-month period for the first statement) or the ten-month period ended July 31, 1996, as the case may be, covered by such statement:

- (i) Amounts accrued and received in respect of:
 - (A) Lease Rentals;
 - (B) Indemnification Amounts;
 - (C) Maintenance Charges; and
 - (D) Excess Usage Charges;
- (ii) Rental Revenue;
- (iii) Minimum Rental Revenue; and

(iv) The amount of Variable Interest payable for the period covered by such statement.

Such statement shall provide appropriate adjustment for all payments and receipts listed in clause (i) above not previously reflected in a statement furnished to the Trustees pursuant to this paragraph (a).

(b) Each Note shall bear Variable Interest, from the Initial Loan Date until the Final Note Maturity Date payable on January 31, 1982, on each July 31 and January 31 thereafter, to and including July 31, 1996, and on September 30, 1996, as follows:

(i) on each such July 31 for the six-month period ended on the preceding March 31, in an amount equal to such Note's Pro Rata Share of the amount specified in the statement delivered pursuant to paragraph (a) of this Section 1.02 in respect of such six-month period;

(ii) on each such January 31 for the twelve-month period (or, in the case of the initial payment pursuant to this clause (ii), such shorter period commencing with the Initial Loan Date) ended on the preceding September 30, in an amount equal to such Note's Pro Rata Share of the amount specified in the statement delivered pursuant to paragraph (a) of this Section 1.02 in respect of such twelve-month period; and

(iii) on September 30, 1996 for the ten-month period ended on July 31, 1996, in an amount equal to such Note's Pro Rata Share of the amount specified in the statement delivered pursuant to paragraph (a) of this Section 1.02 in respect of such ten-month period;

provided, however, that, if the amount of Variable Interest specified for any period in any statement delivered pursuant to paragraph (a) of this Section 1.02 shall be incorrect, the amount payable in respect of such period pursuant to the foregoing clause (i), (ii) or (iii), as the case may be, shall be such specified amount as corrected; and, provided, further, that no Variable Interest payment shall be made on any Note on any January 31 or July 31 (or on any date thereafter), or on September 30, 1996, in excess of the amount which, when discounted from such January 31, July 31 or September 30, as the case may be, on a monthly basis and at a rate equal to 19.95%, to present worth as of the Loan Date

with respect to such Note, would equal the Differential Amount with respect to such Note.

SECTION 1.03. Transfer, Exchange or Replacement.

(a) Subject to the provisions of paragraph (c) of this Section 1.03, upon surrender of any Notes to the Partnership for registration of transfer or exchange, or upon receipt from any Noteholder of a statement that any Notes have been lost, stolen, damaged or destroyed (all such Notes so surrendered, lost, stolen, damaged or destroyed being herein called "Old Notes"), the Partnership shall issue one or more new Notes ("New Notes") in substitution for the Old Notes. The New Notes shall be dated the same date, be of the same tenor and maturity, and be in the same aggregate original principal amount as the Old Notes. All Old Notes so surrendered shall be accompanied by an instrument of transfer setting forth the number and denominations of the New Notes to be so issued and, in the case of a transfer, the name and address of the new holder thereof. The Partnership may condition the issuance of any New Notes upon the payment of any transfer tax or similar governmental charge payable in connection with such issuance. The Partnership may condition the replacement of a Note reported by a Noteholder as lost, stolen or destroyed, upon the receipt from such Noteholder of (i) evidence reasonably satisfactory to the Partnership of the loss, theft or destruction of such Note and of the ownership and authenticity thereof, (ii) an indemnity or security reasonably satisfactory to the Partnership, and (iii) payment of all expenses and charges of such replacement; provided, however, that, if such Noteholder shall be the Trustees or their nominee or an Institutional Investor or its nominee, the Trustees' or such Institutional Investor's agreement of indemnity shall be sufficient for purposes of this paragraph (a).

(b) The Partnership shall mark on each New Note the date to which Interest shall have been paid on the Old Notes, and the amount of principal allocable to such New Note which shall have been repaid on the Old Notes. Each New Note shall evidence the same debt as the Old Notes (or allocable portion thereof), and shall be entitled to the benefits and security of this Agreement.

(c) In the event that, immediately after any registration of transfer of the Notes pursuant to this Section 1.03, the New Notes would be registered in the name of one holder thereof who is not an assignee in full of this Agreement, or registered in the names of more than one holder thereof, the Partnership and the transferor of the Notes with respect to which such registration of transfer is being requested shall, prior to such registration of transfer but

as promptly as practicable following such request, (i) appoint a Qualified Trustee reasonably satisfactory to the Partnership to act as trustee under this Agreement for the benefit of all of the holders of the Notes and (ii) enter into an amendment to this Agreement with such Trustee so appointing such Trustee and by which such Trustee shall accept such appointment. Any Qualified Trustee so appointed to act as trustee under this Agreement, and any such amendment, shall be in all respects satisfactory to the Partnership and to such transferor. Without limiting the generality of the foregoing sentence, such amendment shall amend this Agreement in such manner as to include herein provisions which are customary in agreements or indentures similar to this Agreement and under which a Qualified Trustee is acting as trustee, and this Agreement, as so amended, shall provide, among other things, (1) that the remedies provided in Section 5.02 hereof may only be exercised upon the written request of the holders of more than 50% in aggregate principal amount of the Notes at the time outstanding, (2) that any further amendments to, or modifications of, this Agreement which affect any of the provisions hereof or of the Notes pertaining to the payment of the principal of, or premium, if any, or Interest on, the Notes, or the Lien created by this Agreement, or the aggregate principal amount of the Notes required for consent to any further amendments to, or modifications of, this Agreement, may only be entered into with the written consent of the holders of all of the Notes affected thereby, and (3) that any other amendments to, or modifications of, this Agreement may only be entered into with the written consent of the holders of more than 50% in aggregate principal amount of the Notes at the time outstanding.

SECTION 1.04. The Register. The Partnership shall maintain the Register at its principal office and shall maintain therein a record of each Note, the name and address of the holder thereof and the date of each transfer.

SECTION 1.05. Persons Deemed Owners. Prior to due presentment for registration of transfer of any Note, the Partnership, NAC and the Trustees may deem and treat the registered holder of any Note as the absolute owner thereof for all purposes of this Agreement, and neither the Partnership, NAC nor the Trustees shall be affected by any notice to the contrary.

SECTION 1.06. Cancellation of Notes. All Notes surrendered to the Partnership for payment in full or in connection with any exchange or transfer of such Notes shall be promptly cancelled by the Partnership.

ARTICLE II

Particular Covenants of the Partnership

SECTION 2.01. Payment of Notes. The Partnership will punctually pay the principal of (including any Capitalized Interest), and the premium, if any, and Interest on, the Notes according to the provisions hereof and thereof.

SECTION 2.02. Legal Existence. The Partnership will keep in full force and effect its existence, rights and franchises as a limited partnership under the laws of the jurisdiction of its organization (which at the date of this Agreement is the State of Illinois) and will obtain and preserve its qualification to do business as a foreign limited partnership in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of this Agreement, the Notes or any Car Agreement.

SECTION 2.03. Protection of Collateral. (a) The Partnership will from time to time execute and deliver all such supplements and amendments hereto and to any Car Agreement, and all such financing statements, continuation statements, instruments of further assurance and other instruments, and will take such other action, as may be necessary, in each case in the United States of America, to (i) better Grant all or any portion of the Collateral, (ii) maintain or preserve the Lien of this Agreement or carry out more effectively the purposes hereof, (iii) perfect or protect the validity of any Car Agreement, or of any Grant of the Cars, the Leases and the Car Agreements made or to be made by this Agreement or (iv) preserve and defend title to the Cars, the Leases and the Car Agreements, and the rights of the Trustees therein, against the claims of all Persons, subject only to Permitted Encumbrances.

(b) Promptly after the execution and delivery of each supplement or amendment to this Agreement, the Partnership will furnish to the Trustees an Opinion of Counsel stating that, in the opinion of such counsel, such document or a financing statement relating thereto, as the case may be, has been properly recorded and filed so as effectively to protect in the United States of America the Grant made by this Agreement to the Trustees of the Cars, the Leases and the Car Agreements, and the rights of the Trustees hereunder, and reciting the details of such action or that no such action is necessary; and the Partnership will furnish to the Trustees, prior to November 30 of each year, commencing with the year 1981, an Opinion of Counsel stating

that, in the opinion of such counsel, (i) all of the rights of the Partnership and NAC, as lessor, under each Lease (other than the rights of NAC as sublessor under a sublease pertaining to the Manager Lease) have been duly and validly Granted to the Trustees under this Agreement or a supplement or amendment hereto, and (ii)(1) such action has been taken with respect to the recording, filing, re-recording and re-filing of this Agreement and of each supplement or amendment hereto as is necessary for the proper protection in the United States of America of the Grant made by this Agreement to the Trustees of the Cars, the Leases and the Car Agreements, and the rights of the Trustees hereunder, and reciting the details of any such action taken since the date of the last prior opinion delivered to the Trustees pursuant to this paragraph (b), or (2) no such action is necessary for any of such purposes.

SECTION 2.04. Performance of Obligations. The Partnership will punctually perform and observe each of its obligations and agreements in each Car Agreement, the non-performance or non-observance of which would give rise to a termination of such Car Agreement. The Partnership will notify the Trustees of any default in any material respect by any Person under any Car Agreement promptly after obtaining knowledge thereof.

SECTION 2.05. Financial Statements and Car Reports. The Partnership will deliver in duplicate to the Trustees: (a) within 60 days after the end of each of the first three calendar quarters of each year, the balance sheet, statements and reports referred to in paragraph 11.2 of the Partnership Agreement; (b) within 120 days after the end of each of its fiscal years, the balance sheet, statements and reports referred to in paragraph 11.4 of the Partnership Agreement; (c) within 60 days after the end of each of its fiscal years, a statement, as of the end of such fiscal year, certified by an Executive Officer of the General Partner, stating (i) the description and serial number of each Car that, to the knowledge of the Partnership, has suffered a Casualty Occurrence during said year, (ii) the description and serial number of each Car that has been sold or otherwise disposed of by the Partnership during such year, and whether such Car was sold pursuant to Section 6.2.1(b) or 6.2.2(a) of the Partnership Agreement or otherwise, (iii) that all Cars subject to the Lien of this Agreement bear the Equipment Marking, and (iv) in the case of each Car then subject to a Lease, the serial number thereof and the name of the Lessee; and (d) with reasonable promptness, such other data and information (including tax returns) as the Trustees may reasonably request.

Together with each delivery of financial statements required by clause (b) above, the Partnership will deliver to the Trustees a certificate signed by an Executive Officer of the General Partner stating that, to the best of his knowledge, the Partnership has fulfilled all of its obligations under this Agreement throughout such year, or, if there shall have been a default in the fulfillment of any such obligation, specifying each such default known to him and the nature and status thereof.

SECTION 2.06. Insurance. (a) The Partnership will maintain, or cause to be maintained, public liability insurance in respect of the Cars, in amounts equal to those amounts customarily maintained by NAC and its Affiliates for similar railroad cars owned by them, and casualty insurance in an amount not less than \$1,000,000 and against any risks and with retention amounts customarily insured against by NAC or its Affiliates for similar railroad cars owned by them.

(b) All insurance policies hereunder shall (i) be issued by insurance carriers with which NAC customarily insures equipment owned or managed by it, or by insurance carriers of similar responsibility, (ii) cover the interests of the Partnership and protect the Partnership in respect of risks customarily insured against by NAC and its Affiliates arising out of the condition, maintenance, use, ownership and operation of the Cars, and (iii) provide that the insurance carrier give at least 30 days' prior notice to the Partnership and the Trustees in the event of cancellation or material alteration in coverage. Any insurance maintained pursuant to this Section 2.06 may be evidenced by blanket insurance policies covering the Cars and other property or assets owned, leased or managed by NAC or its Affiliates.

(c) As soon as practicable after the execution of this Agreement, and thereafter not less than 15 days prior to the expiration dates of the expiring policies theretofore delivered pursuant to this paragraph (c), the Partnership shall deliver, or cause to be delivered, to the Trustees duplicate originals of all policies (or in the case of blanket policies, certificates thereof issued by the insurers thereunder) for the insurance maintained pursuant to this Section 2.06; provided, however, that, if the delivery of a formal policy or certificate, as the case may be, is delayed, the Partnership shall deliver, or cause to be delivered, an executed binder or copy thereof with respect thereto and shall deliver, or cause to be delivered, the formal policy or certificate, as the case may be, upon its receipt thereof.

SECTION 2.07. Capital Additions. The Partnership will, at no cost to the Trustees, make, or cause to be made, such Capital Additions to any equipment or appliance on any Car as is required in order to comply with all Railcar Requirements.

SECTION 2.08. Maintenance. The Partnership will, at no cost to the Trustees, maintain and keep, or cause to be maintained and kept, the Cars in good order, condition and repair, ordinary wear and tear excepted, and in compliance with all laws and regulations applicable to the Cars.

SECTION 2.09. Serial Numbers and Identification Marks. The Partnership will cause each Car to be kept numbered with the serial number set forth in Schedule A attached hereto in respect thereof. If such action becomes necessary to protect the Lien of this Agreement with respect to the Cars, the Partnership, at no cost to the Trustees and within a reasonable time, will place and maintain, plainly, distinctly, permanently and conspicuously on each side of each Car, in letters not less than seven-sixteenths (7/16) of an inch in height, the words "OWNERSHIP SUBJECT TO AN EQUIPMENT TRUST OR SECURITY AGREEMENT AND/OR VESTED IN A TRUSTEE OR OTHER PERSON OR ENTITY AS SET FORTH IN A BAILMENT AGREEMENT OR LEASE FILED WITH THE INTERSTATE COMMERCE COMMISSION" or similar words with appropriate changes and additions thereto as from time to time may be required in order to protect the Lien of this Agreement with respect to such Car. The Partnership will place such legend on the Cars during the course of their normal repainting cycle, provided that it is not unduly inconvenient or unduly expensive to do so. The Partnership will replace any such name and words which may be removed, defaced or destroyed as soon as practicable after receiving notice thereof. The Partnership will not change the serial number of any Car unless and until (a) a statement of the new number or numbers to be substituted therefore shall have been delivered to the Trustees and, if necessary to protect the Lien of this Agreement with respect to such Car, filed, recorded or deposited by the Partnership in all public offices where this Agreement has been filed, recorded or deposited and (b) the Partnership shall have furnished to the Trustees an Opinion of Counsel either (i) to the effect that such statement has been so filed, recorded or deposited, such filing, recordation or deposit will protect the Lien of this Agreement with respect to such Car to the extent practicable under applicable law and no additional filing, recording, deposit or giving of notice with or to any Federal, State or local government or agency thereof is necessary to protect the Lien of this Agreement

with respect to such Car or (ii) to the effect that no such filing, recording or deposit is necessary for any such purpose. The Cars may be lettered with the names or initials or other insignia customarily used by NAC or by a Lessee of the Cars on railroad equipment owned and operated by it of the same or a similar type. Except as provided in the immediately preceding sentence, the Partnership will not allow the name of any Person to be placed on any Car as a designation which might be interpreted as a claim of ownership.

SECTION 2.10. Certain Negative Covenants. Except as provided in Section 8.02 hereof, the Partnership will not:

(a) create or suffer to exist, and will discharge promptly at its own expense, any Liens with respect to the Collateral, except Permitted Encumbrances;

(b) engage, directly or indirectly, in any business other than as contemplated by Article 4 of the Partnership Agreement;

(c) claim any credit on, or make any deduction from, the principal (including any Capitalized Interest), premium or Interest payable on the Notes by reason of the payment of any taxes levied or assessed upon any of the Collateral;

(d) lease any of the Cars except pursuant to the Car Agreements; or

(e) amend or modify Article 4 or Section 6.2, 11.1, 11.2 or 11.4 of the Partnership Agreement (or the definitions of terms used therein), or amend or modify Section 2.1, 2.2, 2.3, 2.6, 2.7, 2.12, 3.3, 4.1, 4.4., 5.2.1, 6.1.1, 6.2.2., 6.4, 6.7, 6.8 or 7.7 of the Management Agreement (or the definitions of terms used therein), or amend or modify Section 2.1, 3.1, 5.1, 6.1, 11.1, 13.1, 16.1, 17.2, 18.1, 19.1 or 20.1 of Exhibit C to the Management Agreement (or (i) the definitions of terms used therein or (ii) any corresponding provisions of the Manager Lease), or terminate or release NAC from any of its covenants or obligations under the Management Agreement, except that the Partnership may terminate the Management Agreement if NAC is in default in the performance of its obligations thereunder, but only if the Partnership shall have furnished an agreement in replacement thereof pursuant to Section 2.13 hereof, or amend, modify,

terminate or release any Person from any of its covenants or obligations under any other Car Agreement.

SECTION 2.11. Merger or Consolidation. The Partnership will not consolidate with or merge into any other Person, unless:

(a) the entity resulting from such consolidation or merger shall be a limited partnership formed and existing under the laws of any State of the United States of America (herein called the "Successor Partnership");

(b) the Successor Partnership shall expressly assume in writing all duties, agreements, liabilities and obligations of the Partnership under this Agreement, the Secured Note Agreement and each Car Agreement and Lease to which the Partnership is or is to be party; the Successor Partnership shall obtain all necessary authorizations, consents, approvals and exemptions of governmental bodies or regulatory authorities in order to enable it to perform all of such duties, agreements, liabilities and obligations; such assumption shall be duly authorized by all necessary partnership action of the Successor Partnership (including any consent of partners required by law or otherwise); and this Agreement, the Secured Note Agreement and each Car Agreement and Lease to which the Partnership is a party shall constitute the legal, valid and binding obligation of the Successor Partnership to the same extent that it constitutes the legal, valid and binding obligation of the Partnership;

(c) the Partnership Agreement shall be the partnership agreement of the Successor Partnership or the Successor Partnership shall be bound by the provisions set forth in Article 4 and Sections 6.2, 11.1, 11.2 and 11.4 of the Partnership Agreement (and the definitions of terms used therein);

(d) duly executed copies of the assumption referred to in clause (b) of this Section 2.11 shall be delivered to the Trustees;

(e) such consolidation or merger shall not cause a default under any provisions of this Agreement, the Secured Note Agreement or any Car Agreement or Lease to which the Partnership is a party; and

(f) the Trustees shall be furnished with an Opinion of Counsel to the effects set forth in clauses (b) and (c) of this Section 2.11.

SECTION 2.12. Payment of Expenses. The Partnership will pay, or cause to be paid, all filing, registration and recording fees, all taxes, duties, imposts, assessments and charges and all other expenses incident to or arising out of or in connection with the execution, delivery and/or acknowledgment of the Notes (except as provided in paragraph (a) of Section 1.03 hereof), the Secured Note Agreement, this Agreement, each amendment or supplement hereto or thereto, each Car Agreement and each instrument of further assurance. The Partnership will also pay and discharge, or cause to be paid and discharged, from time to time when the same shall become due, or make adequate provision for the satisfaction or discharge of, all taxes of every kind and nature (other than income taxes), all general and special assessments, levies, permits, inspection and license fees, whether of a like or different nature, imposed upon or assessed against the Collateral or any part thereof or upon any revenues, rents, issues, income or proceeds of the Collateral or arising in respect of the use or possession of the Cars, in each case which, if unpaid, would become a Lien with respect to the Collateral. The Partnership will, upon request of the Trustees, deliver to the Trustees receipts evidencing the payment of all such taxes, assessments, levies, fees and other public charges.

SECTION 2.13. Replacement of Car Agreements. At least 90 days prior to the date on which any Car Agreement is scheduled, by its terms, to expire (after giving effect to any renewals or extensions thereof), and at least 30 days prior to the date on which the Partnership proposes to terminate the Management Agreement pursuant to paragraph (e) of Section 2.10 hereof, the Partnership will furnish the Trustees with an agreement which, upon such expiration or termination, will replace such Car Agreement. Each such replacement agreement will be reasonably satisfactory in form and substance to the Trustees in all respects and will be with a party satisfactory to the Trustees. The Partnership will also furnish such certificates and other documents (including Opinions of Counsel) relating to the authorization, execution, delivery and enforceability of such replacement

agreement as the Trustees may reasonably request. Following the execution and delivery of such replacement agreement, the Partnership shall execute and deliver such amendments and supplements to this Agreement (including, without limitation, the provisions of Section 5.01 hereof) and the other Car Agreements as may be reasonably requested by the Trustees as a result of such replacement agreement.

SECTION 2.14. Leases. The Partnership will deliver, or cause to be delivered, to the Trustees (a) an executed copy of the Manager Lease as soon as practicable after the execution and delivery thereof by the Partnership, and (b) a copy of each other Lease, and of each amendment to, or modification of, each such other Lease as soon as practicable after receipt by the Partnership of a written request therefor from the Trustees.

SECTION 2.15. Performance by Trustees. If the Partnership shall fail to perform any of its covenants contained in this Article II, and such failure shall not have been remedied or cured for a period of 30 days after the date on which written notice thereof shall have been given to the Partnership by the Trustees, or, if the Trustees shall have received notice of any cancellation of, or material alteration in, any insurance coverage required to be maintained hereunder on account of any non-payment of premiums payable in respect thereof, the Trustees may (but shall have no obligation to) make advances, on behalf of the Partnership, to perform or pay the same. The Partnership hereby promises to pay to the Trustees all sums so advanced which, until so paid, shall be secured hereby prior to the Notes, with interest at the Penalty Interest Rate from the date of the advance.

ARTICLE III

Casualty Occurrences and Sale of Cars by Partnership; Application of Moneys

SECTION 3.01. Casualty Occurrences and Sale of Cars by Partnership. (a) In the event of a Casualty Occurrence with respect to, or a sale pursuant to Section 6.2.1(b) or 6.2.2(a) of the Partnership Agreement of, any Car, the Partnership may, on any Payment Date, pay to the Trustees an amount equal to the Loan Value of such Car as of such Payment Date, such amount to be applied to the prepayment of the Notes pursuant to paragraph (c) of Section 4.02 hereof; provided, however, that, if upon the occurrence of any such

Casualty Occurrence to, or sale of, any Car, the aggregate number of Cars which have suffered a Casualty Occurrence or been so sold (excluding the aggregate number of such Cars in respect of which the Partnership shall have previously paid to the Trustees the Loan Value thereof as provided in this paragraph (a) (such Cars being herein called "Excluded Cars")), exceeds the greater of (i) 15 or (ii) the number determined by taking 5% of the total number of the Cars purchased by the Partnership pursuant to the Purchase Agreement and originally subject to this Agreement, the Partnership shall, on or before the last Payment Date to occur within a period of sixty consecutive days from such Casualty Occurrence or sale, pay to the Trustees the Loan Value of such Car as of such Payment Date, such payment to be applied to the prepayment of the Notes pursuant to paragraph (b) of Section 4.02 hereof.

(b) In the event that any Car shall be sold, other than pursuant to Section 6.2.1(b) or 6.2.2(a) of the Partnership Agreement, the Partnership shall pay to the Trustees, on or before the Payment Date next succeeding such date of sale, an amount equal to (i) the Loan Value of such Car as of such Payment Date, plus (ii) the premium determined as provided in Section 4.03 hereof, such payment to be applied to the prepayment of the Notes pursuant to such Section 4.03.

(c) In the event of a Casualty Occurrence with respect to, or a sale pursuant to Section 6.2.1(b) or 6.2.2(a) of the Partnership Agreement of, any Car, and, if at the time of such Casualty Occurrence or sale the number determined by adding (i) the number of Cars with respect to which Casualty Occurrences shall have occurred and (ii) the number of Cars which shall have been sold pursuant to such Section 6.2.1(b) or 6.2.2(a) and subtracting therefrom (iii) the number of Excluded Cars, shall not exceed the greater of (i) 15 or (ii) the number determined by taking 5% of the total number of the Cars purchased by the Partnership pursuant to the Purchase Agreement and originally subject to this Agreement, the Trustees shall release, at the Partnership's request and expense, such Car from the Lien of this Agreement.

(d) Upon payment by the Partnership to the Trustees of all amounts required to be paid pursuant to paragraph (a) or (b), as the case may be, of this Section 3.01, all Cars in respect of which such amounts shall have been so paid shall, at the Partnership's request and expense, be released by the Trustees from the Lien of this Agreement.

SECTION 3.02. Proceeds of Sales, Casualty Insurance, Etc. The Trustees shall pay to the Partnership all

proceeds of all sales, casualty insurance or condemnation awards (or settlements in respect thereof), in each case in respect of the Cars and at any time received by the Trustees; provided, however, that no Default or Event of Default shall have occurred and be continuing.

ARTICLE IV

Prepayment of Notes

SECTION 4.01. General. The Notes shall be prepaid only to the extent expressly permitted by this Article IV. All such prepayments shall be made as provided in this Article IV.

SECTION 4.02. Prepayments Without Premium. (a) In the event that, on September 30 in any year, the certificate delivered by NAC to the Partnership and the Trustees pursuant to paragraph (b) of Section 5 of the Secured Note Agreement indicates that the aggregate AAR Settlement Value of the Cars (excluding Cars leased, other than under the Manager Lease, for use primarily outside of Perfected Jurisdictions) as of the August 31 immediately preceding such September 30 does not exceed 150% of the sum of (i) the aggregate principal amount (including any Capitalized Interest) of the Notes outstanding on such August 31 and (ii) the aggregate principal amount of all unsecured Indebtedness of the Partnership outstanding on such August 31 (and whether or not any obligation of the Partnership to make any payment to the Trustees in any year pursuant to this paragraph (a) shall be terminated pursuant to the proviso to this paragraph (a)), the Partnership shall pay to the Trustees, on the second Payment Date next succeeding such September 30, an amount equal to the amount by which the number determined by taking 150% of such sum exceeds the aggregate AAR Settlement Value of the Cars (excluding Cars leased, other than under the Manager Lease, for use primarily outside of Perfected Jurisdictions) as of such August 31; provided, however, that the obligation of the Partnership to make any such payment to the Trustees shall be terminated in the event that the Trustees shall notify the Partnership of such termination in writing not more than twenty Business Days after receipt of such certificate by the Trustees.

(b) The Notes shall be prepaid by the Partnership, without premium, on each Payment Date on which the Partnership

shall be required to pay any amounts to the Trustees pursuant to paragraph (a) of this Section 4.02 or the proviso to paragraph (a) of Section 3.01 hereof, in a principal amount (including any Capitalized Interest) equal to the amount required to be so paid pursuant to such paragraph (a) or such proviso; provided, however, that the obligation of the Partnership to make any prepayment of the Notes on any Payment Date pursuant to this paragraph (b) shall be reduced, and the Notes shall be deemed to be prepaid, in each case as of such Payment Date, by any amounts actually paid on or before such Payment Date by the Partnership to the Trustees pursuant to such paragraph (a) or such proviso, as the case may be, and not theretofore applied to the prepayment of the Notes.

(c) The Notes shall be deemed to be prepaid, without premium, on each Payment Date on which the Trustees shall have received any amounts pursuant to paragraph (a) of Section 3.01 hereof (other than pursuant to the proviso set forth therein), in a principal amount (including any Capitalized Interest) equal to the amount, if any, received by the Trustees on such Payment Date pursuant to such paragraph (a) (other than pursuant to such proviso).

SECTION 4.03. Prepayment With Premium. The Notes shall be prepaid by the Partnership, on each Payment Date on which the Partnership shall be required to pay any amounts to the Trustees pursuant to paragraph (b) of Section 3.01 hereof, in a principal amount (including any Capitalized Interest) equal to the amount required to be so paid as Loan Value, together with a premium determined by multiplying such principal amount (including such Capitalized Interest) by the applicable percentage set forth below:

With respect to any Note, if prepaid during the twelve-month period beginning on the Loan Date for such Note, 22.16% and if prepaid during the twelve-month period beginning on the anniversary of such Loan Date occurring in each of the following years:

<u>Year</u>	<u>Percentage</u>	<u>Year</u>	<u>Percentage</u>
1982	21.51	1989	15.79
1983	20.82	1990	14.81
1984	20.10	1991	13.77
1985	19.34	1992	12.74
1986	18.50	1993	11.54
1987	17.63	1994	10.44
1988	16.74	1995	9.19;

provided, however, that the obligation of the Partnership to make any prepayment of the Notes on any Payment Date pursuant to this Section 4.03 (i) shall be reduced, and the Notes shall be deemed to be prepaid, in each case as of such Payment Date, by any amounts actually paid on or before such Payment Date by the Partnership to the Trustees pursuant to paragraph (b) of Section 3.01 hereof and not theretofore applied to the prepayment of the Notes or (ii) shall be terminated in the event that the Trustees shall return to the Partnership, on or before such Payment Date, any amounts so paid by the Partnership to the Trustees.

SECTION 4.04. Other Amounts. Any prepayment of the Notes pursuant to this Article IV shall be in addition to, and shall be made only after payment of, all amounts otherwise due and payable in respect of the Notes on the Payment Date for such prepayment.

SECTION 4.05. Partial Prepayments. If the principal of the Notes has been partially prepaid at any time under any provision of this Article IV (i) such prepayment shall be applied to the prepayment of such amounts of Notes of each maturity as will (as nearly as may be possible) reduce the aggregate principal amount of the Notes of each such maturity by the same percentage, and (ii) each remaining Instalment Payment of each Note shall be recalculated so that all remaining Instalment Payments of such Note shall be substantially equal in amount, and shall be sufficient to pay (a) all Fixed Interest on such Note to accrue on and as of each of the remaining Payment Dates for such Note and (b) the entire unpaid principal amount (including any Capitalized Interest) of such Note by the Note Maturity Date with respect to such Note. Notwithstanding any such recalculation, Variable Interest shall continue to accrue and be payable as provided in the Notes and this Agreement.

SECTION 4.06. Notice. In connection with each prepayment and whether or not the obligation of the Partnership to make any prepayment shall be reduced as provided in the proviso to paragraph (b) of Section 4.02 hereof or the proviso to Section 4.03 hereof, notice shall be given by the Partnership to the Trustees of (a) the Payment Date on which such prepayment is to occur, (b) the principal amount (which shall include any Capitalized Interest) of the Notes to be prepaid, (c) the provision hereof pursuant to which such prepayment is to be made, and (d), in the case of any partial prepayment, the amount of each remaining Installment Payment after giving effect to such prepayment as provided in Section 4.05 hereof.

Notice of prepayment having been so given, the principal amount (including any such Capitalized Interest) of the Notes specified in such notice shall become due and payable on the specified prepayment date. Such notice shall be given as promptly as practicable after the Partnership knows of the event giving rise to such prepayment but in no event less than five Business Days prior to the specified prepayment date.

ARTICLE V

Events of Default and Remedies

SECTION 5.01. Events of Default. Any of the following events shall constitute an Event of Default under this Agreement:

(a) If default shall be made in the payment of any principal of (including any Capitalized Interest), or Interest or premium on, any Note when and as the same shall become payable, whether at maturity or by acceleration or as part of any prepayment or otherwise; or

(b) If the Partnership shall fail to observe or perform any of the covenants, terms or provisions set forth in Section 2.11 of this Agreement; or

(c) If the Partnership shall fail to observe or perform any of the other covenants, terms or provisions of this Agreement or of the Secured Note Agreement, and such failure shall continue for a period of 30 days; or

(d) If NAC shall fail to observe or perform any of the covenants, terms or provisions set forth in Section 5 of the Secured Note Agreement, Section 2.1, 2.2, 2.3, 2.6, 2.7, 2.12, 3.3, 4.1, 4.4, 5.2.1, 6.1.1, 6.2.2, 6.4, 6.7, 6.8 or 7.7 of the Management Agreement or Section 2.1, 3.1, 5.1, 6.1, 11.1, 13.1, 16.1, 17.2, 18.1, 19.1, or 20.1 of the Manager Lease, and such failure shall continue for a period of 30 days; provided, however, that such period of 30 days shall be extended for an additional period of time not exceeding 90 days in the event that (and only so long as) (i) the Partnership is actively seeking a manager of the Cars to assume the obligations of NAC under the Secured Note Agreement and the Car Agreements (and shall have delivered to the

Trustees within such period of 30 days a certificate signed by an Executive Officer of the General Partner to such effect) and (ii) no default of the nature referred to in clause (a) of this Section 5.01 shall have occurred during such period of 30 days or such period of extension thereof; or

(e) If any representation or warranty of the Partnership made in this Agreement, in the Secured Note Agreement, or in any certificate or other writing delivered pursuant hereto or thereto, shall prove to be incorrect in any material respect when made; or

(f) If any representation or warranty of NAC made in connection with the issuance and sale of the Notes in the Secured Note Agreement, the Management Agreement or in any certificate or other writing delivered on the Loan Date pursuant thereto shall prove to have been incorrect in any material respect when made; or

(g) If a court having jurisdiction in the premises shall enter a decree or order for relief in respect of the Partnership in any involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or appoint a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Partnership or for any substantial part of its property, or order the winding-up or liquidation of its affairs; and, unless such case shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all of the obligations of the Partnership under this Agreement shall not have been and shall not continue to have been duly assumed pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed (whether or not subject to ratification) for the Partnership or for its property in connection with any such case in such manner that such obligations shall have the same status as expenses of administration and obligations incurred by such trustee or trustees or receiver or receivers, within 60 days after such case shall have been commenced; or

(h) If the Partnership shall commence a voluntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of the Partnership or for any substantial part of its property, or make any assignment for the benefit of creditors, or fail generally to pay its debts as such debts become due, or be liquidated or have its affairs wound up, or take any action in furtherance of any of the foregoing; or

(i) If a court having jurisdiction in the premises shall enter a decree or order for relief in respect of NAC in any involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or appoint a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of NAC for any substantial part of its property, or order the winding-up or liquidation of its affairs, and such decree, order or appointment shall remain in force undischarged or unstayed for a period of 60 days; or

(j) If NAC shall commence a voluntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of NAC or for any substantial part of its property, or make any assignment for the benefit of creditors, or fail generally to pay its debts as such debts become due, or be liquidated or have its affairs wound up, or take any action in furtherance of any of the foregoing; or

(k) If a default or an event of default under any mortgage, indenture of trust, purchase contract or other agreement evidencing indebtedness of the Partnership for borrowed money or deferred purchase prices, or pursuant to which such indebtedness is issued, or under any lease of real or personal property under which the Partnership is lessee,

shall have occurred, the effect of which is to cause (or permit any holder of such indebtedness, or a trustee or agent on its behalf, to cause) such indebtedness to become or to be declared payable before it would otherwise have become payable, or the effect of which is to cause (or permit any lessor under such lease to cause) such lease to be in default, and if the aggregate of the indebtedness so becoming or declared or so permitted to become or permitted to be declared to be payable and the rentals under the leases so declared or so permitted to be declared to be in default exceeds \$100,000 in the aggregate, and such condition shall continue for a period of 30 days.

SECTION 5.02. Remedies. Subject to Section 5.08 hereof, when any Event of Default specified in clause (a) or (b), or clause (d) to (k), inclusive, of Section 5.01 hereof shall have occurred and be continuing, or any Event of Default specified in clause (c) of Section 5.01 hereof shall have occurred and be continuing for a period of 30 days, the Trustees shall have the rights, options, duties and remedies of a secured party, and the Partnership shall have the rights and duties of a debtor, under the Uniform Commercial Code of the State of Illinois (regardless of whether such Code or similar law has been enacted in the jurisdiction wherein the rights or remedies are asserted) and, without limiting the foregoing, the Trustees may do one or more of the following:

(a) give notice to the Partnership declaring the entire unpaid principal amount (including any Capitalized Interest) of the Notes, together with all sums then owing under this Agreement, to be immediately due and payable, and thereupon all such amounts shall be immediately payable, together with all expenses of collection, notwithstanding any contrary provision contained in this Agreement or the Notes;

(b) institute Proceedings for the collection of all amounts then payable on the Notes or under this Agreement, whether by declaration or otherwise, enforce any judgment obtained, and collect moneys adjudged due from the Collateral;

(c) sell the Collateral or any portion thereof or rights or interest therein, at one or more public or private sales called and conducted in any manner permitted by law;

(d) subject to the provisions hereof, take immediate possession of the Collateral, or any portion thereof, and for that purpose may pursue the same wherever it may be found and may enter any of the premises of the Partnership, with or without notice, demand, process of law or legal procedure, if this can be done without breach of the peace, and search for, take possession of, remove, keep and store the same, or use and operate or lease the same until sold;

(e) take any other appropriate action to protect and enforce the rights and remedies of the Trustees hereunder, or under or in respect of any Car, Car Agreement or Lease, or otherwise; and

(f) exercise all rights, privileges and remedies of the Partnership under any or all of the Car Agreements and the Leases, including, without limitation, the right to terminate any or all of the Car Agreements or the Leases, by giving notice of such termination to the Partnership and any other party or parties thereto.

The unpaid principal amount (including any Capitalized Interest) of the Notes and all accrued Interest and other sums payable under this Agreement shall be forthwith payable upon a sale (a "Sale") of any portion of the Collateral pursuant to clause (c) of this Section 5.02, whether or not declared to be so pursuant to clause (a) of this Section 5.02, and notwithstanding any provision to the contrary contained in this Agreement or the Notes.

SECTION 5.03. Sale of Collateral. (a) The power to effect any Sale shall not be exhausted by any one or more Sales as to any portion of the Collateral remaining unsold, but shall continue unimpaired until the entire Collateral shall have been sold or all amounts payable on the Notes and under this Agreement shall have been paid. The Trustees may from time to time postpone any Sale by public announcement made at the time and place of such Sale.

(b) To the extent permitted by applicable law, the Trustees may bid for and acquire any portion of the Collateral in connection with a Sale thereof, and may pay all or part of the purchase price by crediting against amounts owing on the Notes or other amounts secured by this Agreement all or part of the net proceeds of such Sale after deducting the expenses of the Trustees in connection with such Sale. The Notes need

not be produced in order to complete any such Sale, or in order to cause there to be credited thereon such net proceeds. The Trustees may hold, lease, operate, manage or otherwise deal with any property so acquired in any manner permitted by law.

(c) The Trustees may execute and deliver any appropriate instrument of conveyance transferring their interest in any portion of the Collateral in connection with a Sale thereof. No purchaser or transferee at such a Sale shall be bound to ascertain the Trustees' authority, inquire into the satisfaction of any conditions precedent or see to the application of any moneys.

SECTION 5.04. Action on the Notes. The Trustees' right to seek and recover judgment on any Note or under this Agreement shall not be affected by the seeking, obtaining or application of any other relief under or with respect to this Agreement. Neither the Lien of this Agreement nor any rights or remedies of the Trustees shall be impaired by the recovery of any judgment by the Trustees against the Partnership or by the levy of an execution under such judgment upon any portion of the Collateral or by the enforcement of any rights of the Trustees under the Car Agreements or any Lease.

SECTION 5.05. Distribution of Collateral. Upon enforcement of this Agreement, all moneys in the Collateral shall be applied from time to time by the Trustees as follows:

First: To the repayment of all advances made by the Trustees under this Agreement or the Secured Note Agreement, with interest at the Penalty Interest Rate.

Second: To the payment of all costs, expenses, liabilities and compensation of the Trustees (including fees and expenses of its agents and counsel) incurred or accrued in connection with any Proceedings brought by the Trustees or in connection with the maintenance, Sale or other disposition of the Collateral.

Third: To the payment of all amounts then due and payable on the Notes (whether in respect of principal (including any Capitalized Interest), Interest or premium) without preference, priority or distinction as between principal, premium or interest.

Fourth: To the payment of all other Secured Indebtedness.

Fifth: To the payment of any surplus to the Partnership or any other Person legally entitled thereto.

SECTION 5.06. Waiver of Rights; Receiver. (a) To the fullest extent permitted by law, the Partnership hereby agrees to appear voluntarily in any Proceeding brought under or in respect of this Agreement. When any Event of Default shall have occurred and be continuing, the Partnership will consent to the appointment of one or more receivers of all or part of the Collateral upon the request of the Trustees.

(b) To the fullest extent permitted by law, the Partnership hereby waives, and agrees that it will never seek or derive any benefit or advantage from, any of the following, whether now existing or hereafter in effect:

(i) any stay, extension, moratorium or other similar law; and

(ii) any law providing for the valuation or appraisal of any portion of the Collateral in connection with a Sale thereof.

The Partnership covenants not to hinder, delay or impede the exercise of any right or remedy under or in respect of this Agreement, and agrees to suffer and permit its exercise as though no laws or rights of the character listed above were in effect.

SECTION 5.07. Rights Cumulative. All rights and remedies from time to time conferred upon or reserved to the Trustees are cumulative, and none is intended to be exclusive of another. No delay or omission in insisting upon the strict observance or performance of any provision of this Agreement, or to exercise any right or remedy, shall be construed as a waiver or relinquishment of such provision, nor shall it impair such right or remedy. Every right and remedy may be exercised from time to time and as often as deemed expedient.

SECTION 5.08. Partnership's Right to Cure. If the Partnership shall fail to make any payment of any principal of (including any Capitalized Interest), or Interest or premium on, the Notes payable on any Payment Date (including any amount payable on such Payment Date in connection with any prepayment hereunder), and, if such Payment Date shall not constitute the fourth or subsequent consecutive Payment Date,

or the sixth or subsequent cumulative Payment Date, in respect of which such a failure shall have occurred, then the Partnership may pay to the Trustees, at any time prior to the expiration of a period of 30 days after the date on which written notice of such failure shall have been given to the Partnership by the Trustees (prior to the expiration of which period the Trustees shall not, without the consent of the Partnership, have the right to exercise any of the remedies provided for in Section 5.02 or 5.06 hereof), an amount equal to the full amount of principal (including any such Capitalized Interest), Interest or premium due on such Payment Date less any portion thereof theretofore paid, together with interest thereon at the Penalty Interest Rate, and such payment shall be deemed to satisfy, to the extent received by the Trustees, the payment obligation of the Partnership as of such Payment Date.

ARTICLE VI

Defined Terms

SECTION 6.01. Definitions. In this Agreement, the following terms have the meanings indicated below (or in the indicated provision), such meanings to be equally applicable to the singular and the plural forms of such terms as the context shall require:

"AAR" means the Association of American Railroads.

"AAR Rules" means the Association of American Railroads' Rules of Interchange, or other similar rules or regulations, as may from time to time be duly in effect; provided, however, that the Partnership may treat any published rule as valid and legal unless the Partnership is bound by a final order of a court of competent jurisdiction to the contrary.

"AAR Settlement Value" means, with respect to any Car, the value thereof as determined by Rule 107 of the AAR Rules as in effect at the time in question.

"Affiliate" means, when used with reference to a specified Person, any other Person that directly or indirectly through one or more intermediaries controls or is controlled by or is under common control with the specified Person.

"Aggregate Discounted Payments", with respect to any Note, means, as of any date of determination thereof, the sum of the following amounts, in each case discounted from

the applicable date set forth below, on a monthly basis and at a rate equal to 19.95%, to present worth as of the Loan Date:

(a) from the date as of which the same was paid, each Payment Element with respect to such Note theretofore paid to the Trustees,

(b) from such date of determination, each Payment Element with respect to such Note (other than any Variable Interest payment) to be paid to the Trustees on such date, and

(c) from the date on which the same is scheduled to be paid, each Instalment Payment with respect to such Note (prior to any recalculation thereof as provided in Section 4.05 of this Agreement) thereafter to be paid to the Trustees.

"Assignment of Leases" means the Assignment of Leases, dated as of March 20, 1981, by NAC and in favor of the Partnership, including any amendment or modification thereof entered into in accordance with the applicable provisions hereof and thereof.

"Bailment and Security Agreement" means the Bailment and Security Agreement between the Partnership and NAC in the form of Exhibit B to the Management Agreement, including any amendment or modification thereof entered into in accordance with the applicable provisions hereof and thereof.

"Business Day" shall mean any day other than a Saturday, Sunday or a day which is a legal holiday in the State of Illinois or a day on which state or national banks in the State of Illinois are required or allowed by law to be closed.

"Capital Addition" means any improvement or betterment of, or accession to, a Car not in the nature of a repair, such as headshields for tank cars or car liners not installed prior to the Partnership becoming the owner of such Car, and shall include, without limitation, changes in any Car required by a government agency or the AAR.

"Capitalized Interest" has the meaning specified in the form of Note attached as Annex I hereto.

"Cars" means the railroad equipment described in Schedule A attached hereto, excluding any such railroad equipment released from the Lien of this Agreement pursuant to paragraph (c) or (d) of Section 3.01 hereof, or Section 7.01 hereof.

"Car Agreements" means the Management Agreement, the Assignment of Leases, the Manager Lease, the Bailment and Security Agreement, and all agreements entered into in replacement thereof pursuant to Section 2.13 hereof, including any amendment or modification thereof entered into in accordance with the applicable provisions hereof and thereof.

A "Casualty Occurrence", with respect to any Car, shall have occurred whenever such Car shall be worn out, lost, stolen, destroyed, irreparably damaged or permanently rendered unfit for use from any cause whatsoever, or seized, confiscated, taken or requisitioned by condemnation or otherwise.

"Collateral" means as of any particular time all property and interests Granted in the Granting Clause of this Agreement, and all right, title and interest of the Trustees in, to and under the Cars, each Car Agreement and each Lease, and all money and property received by the Trustees pursuant thereto.

"Default" means any occurrence which with notice or lapse of time, or both, would be an Event of Default.

"Differential Amount", with respect to any Note, means the amount by which the aggregate principal amount of the Notes purchased by the Trustees on the Loan Date with respect to such Note exceeds Aggregate Discounted Payments with respect to such Note.

"Equipment Marking" means any one of the following legends:

"THIS CAR IS MORTGAGED TO A TRUSTEE UNDER AN
INDENTURE OF MORTGAGE AND DEED OF TRUST RECORDED
UNDER SECTION 20c OF THE INTERSTATE COMMERCE ACT"

or

"TITLE TO THIS CAR IS VESTED IN A TRUSTEE UNDER
THE TERMS OF AN EQUIPMENT TRUST AGREEMENT
RECORDED UNDER SECTION 20c OF THE INTERSTATE
COMMERCE ACT"

or

"OWNERSHIP SUBJECT TO AN EQUIPMENT TRUST OR SECURITY AGREEMENT AND/OR VESTED IN A TRUSTEE OR OTHER PERSON OR ENTITY AS SET FORTH IN A BAILMENT AGREEMENT OR LEASE FILED WITH THE INTERSTATE COMMERCE COMMISSION".

"Event of Default" means any of the events specified as such in Section 5.01 hereof.

"Executive Officer" means with respect to any corporation, the Chairman of the Board of Directors, the President, any Vice President, the Secretary or the Treasurer of such corporation; and with respect to any partnership, any of such officers of any general partner thereof.

"Excess Usage Charge" means any increase in the aggregate rental rate payable by a Lessee under a Lease as a result of Cars having traversed distances in any period in excess of a given number for such period set forth in such Lease.

"Final Note Maturity Date" means July 31, 1996.

"Fixed Interest" has the meaning specified in the form of Note attached as Annex I hereto.

"General Partner" means NAC Railcar Investors, Inc., a Delaware corporation, or any Person who, at the time of reference thereto, has succeeded to the ownership interest of NAC Railcar Investors, Inc. in the Partnership, as provided in the Partnership Agreement, in such Person's capacity as General Partner.

"Grant" means to grant a security interest and, in the case of an instrument, to assign, in each case as security for the purposes set forth in the Granting Clause hereof. Subject to the provisions of this Agreement, a Grant of any Car Agreement, Lease or any other instrument shall include (to the exclusion of the Granting party) all rights, powers and options (but none of the obligations) of the Granting party thereunder, including, without limitation, the immediate and continuing right to claim for, collect, receive and receipt for rents, insurance proceeds, condemnation awards, purchase prices and all other moneys payable thereunder, to give and receive notices and other communications, to make waivers or other agreements, to exercise all rights and options, to bring Proceedings in the name of the Granting party or otherwise, and generally to do anything which the Granting party is or may be entitled to do thereunder or with respect thereto;

provided, however, that, in any case where the Partnership is the Granting party, unless an Event of Default shall have occurred and be continuing, the Trustees shall not claim for, collect or receive any such rents, insurance proceeds, condemnation awards, purchase prices or other moneys, or take any other action in respect of any such Car Agreement, Lease or other instrument, and the Partnership shall be free to take any and all action, and to claim for, collect and receive all such rents, insurance proceeds, condemnation awards, purchase prices or other moneys, with respect thereto.

"ICC" means the Interstate Commerce Commission.

"Indemnification Amount" means for any period with respect to any Car the amount paid or payable with respect to such Car for such period pursuant to paragraph (a) of Section 5 of the Secured Note Agreement.

"Indebtedness" means (a) all debt, whether or not represented by bonds, debentures, notes or other securities, for the repayment of money borrowed, (b) all deferred debt for the payment of the purchase price of property or assets purchased, (c) all guaranties, endorsements, assumptions and other contingent obligations in respect of, or to purchase or to otherwise acquire, debt of others, (d) all debt secured by any Lien existing on property owned by the Partnership subject to such Lien, whether or not debt secured thereby shall have been assumed, and (e) the principal value of all rental payments (determined in accordance with generally accepted accounting principles) required to be made by the Partnership under agreements to rent or lease, as lessee, real or personal property for initial terms (including options to renew or extend any term, whether or not exercised) of more than one year.

"Initial Loan Date" means the Loan Date on which the first Note is purchased hereunder.

"Instalment Payments" has the meaning specified in the form of Note attached as Annex I hereto.

"Institutional Investor" means (a) any bank, bank holding company, savings institution, trust company or national banking association (whether acting for its own account or in a fiduciary capacity as trustee or agent under any pension, retirement, profit sharing or similar trust or fund), (b) any insurance company or fraternal benefit society, (c) any finance company or leasing company, or (d) any wholly-owned subsidiary of any of the foregoing; provided, however, that any such Person has capital, surplus and retained earnings (or the equivalent) of at least \$50,000,000.

"Interest" means Fixed Interest, Variable Interest and Penalty Interest on the Notes.

"Law" means any statute, rule, ordinance, regulation, executive order or other law.

"Lease" means any lease of any Car, whether such lease is now existing or arises in the future, together with any renewals, modifications or amendments of such lease, and includes, without limitation, the Manager Lease and any renewals, modifications or amendments thereof.

"Lease Rentals" with respect to any Car means the regularly scheduled periodic rental (including amounts credited to a Lessee and/or received as mileage or other car compensation from railroads) for such Car provided for in any Lease, as such regular periodic rental may have been from time to time adjusted in accordance with the terms of a Lease. Lease Rentals shall include all penalty payments, cancellation charges or similar payments by a Lessee who elects to terminate a Lease earlier than the stated termination date and all additional rents payable under a Manager Lease pursuant to Section 2.12.2(iv) of the Management Agreement, and shall exclude all Excess Usage Charges.

"Lessee" means the lessee of one or more Cars under any Lease.

"Lien" means any security interest, mortgage, pledge, lien, bailment, encumbrance or lease of any kind, including any conditional sale or other title retention agreement and any lease in the nature thereof.

"Loan Date", with respect to any Note, means the date of the original issuance of such Note and the purchase thereof by the Trustees.

"Loan Value" with respect to any Car means, as of any Payment Date with respect to which Loan Value is to be determined, an amount equal to the product of (a) a fraction, the numerator of which is the Purchase Price of such Car and the denominator of which is the aggregate Purchase Price of all the Cars originally sold by NAC under the Purchase Agreement, times (b) the aggregate unpaid principal amount (including any Capitalized Interest) of the Notes as of such Payment Date (after giving effect to the Instalment Payment required to be made on such Payment Date).

"Maintenance Charges" means amounts paid by the Partnership in accordance with Section 3.3 of the Management Agreement, together with all amounts paid by the Partnership pursuant to Section 11.1 of the Manager Lease.

"Management Agreement" means the Management Agreement, dated as of March 20, 1981, between NAC and the Partnership, including any amendment or modification thereof entered into in accordance with the applicable provisions hereof and thereof.

"Manager Lease" means a Lease of a Car entered into between the Partnership and NAC as Lessee as contemplated by Section 2.12 of the Management Agreement, including any amendment or modification thereof entered into in accordance with the applicable provisions hereof and thereof.

"Minimum Rental Revenue" during any relevant period means the sum of the Unit Minimum Rental Revenue attributable to all Cars during such period.

"NAC" means North American Car Corporation, a Delaware corporation, and its successors and assigns.

"Note Maturity Date", with respect to any Note, means the fifteenth anniversary of the Loan Date with respect to such Note.

"Noteholders" or "holders of the Notes" or "holders" means the registered holders of Notes as their names shall appear on the Register.

"Notes" means Senior Secured Notes Due 1996, issued or to be issued by the Partnership, in substantially the form of Annex I attached hereto.

"Note's Pro Rata Share" means, with respect to any Note and at the time of any computation thereof, a fraction the numerator of which is the then outstanding principal amount of such Note and the denominator of which is the then outstanding principal amount of all Notes.

"Opinion of Counsel" means an opinion in writing signed by legal counsel (who may be an employee of or counsel to the Partnership or NAC), provided, however, that any such legal counsel shall be reasonably satisfactory to the Trustees. The acceptance by the Trustees of, and their action on, an Opinion of Counsel shall be sufficient evidence that such counsel is satisfactory to the Trustees.

"Partners" means the General Partner and all limited partners of the Partnership.

"Partnership" means North American Railcar Partners, Ltd. 1981-I, an Illinois limited partnership, and its successors and assigns.

"Partnership Agreement" means the Amended and Restated Agreement of Limited Partnership of the Partnership and the First Amended and Restated Certificate of Limited Partnership of the Partnership, in each case dated as of the date hereof, including any amendment or modification thereof entered into in accordance with the applicable provisions hereof and thereof.

"Payment Date" means the date upon which an Instalment Payment must be made.

"Payment Elements", with respect to any Note, means, as of any date of determination thereof, all Instalment Payments, all Variable Interest payments, and all payments pursuant to clause (ii) of paragraph (b) of Section 3.01 hereof in respect of an applicable prepayment premium and applied to the prepayment of the Notes.

"Penalty Interest" has the meaning specified in the form of Note attached as Annex I hereto.

"Penalty Interest Rate" means 15% per annum.

"Perfected Jurisdiction" means the United States of America and any other jurisdiction with respect to which all instruments required by the laws of such jurisdiction have been executed, acknowledged, delivered, filed, registered and recorded as required by the laws of such jurisdiction to protect the Partnership's title to, and to perfect the Lien of the Security Agreement on, the Cars and the Leases.

"Permitted Encumbrances" means: (a) this Agreement, (b) the Car Agreements, (c) the Leases, (d) Liens arising out of claims either not yet due or being contested in accordance with Section 8.02 hereof, (e) nondelinquent and inchoate materialmen's, mechanics', workmen's, repairmen's, employees' or other similar Liens arising in the ordinary course of business of the Partnership, (f) Liens subordinate to the Lien of this Agreement pursuant to the Subordination Agreement, securing (i) advances made by the General Partner to the Partnership, (ii) loans made by the General Partner or NAC to the Partnership, or (iii) the performance by the Partner-

ship of its obligations under the Management Agreement and the Bailment and Security Agreement, and (g), with respect to the Cars only, loans made by any other Person to the Partnership, the proceeds of which were used by the Partnership for capital improvements to the Cars, provided that each such loan and the Lien securing such loan shall be subject and subordinate to the Lien of this Agreement on terms no less favorable to the Trustees than the provisions of the Subordination Agreement.

"Person" means any individual, partnership, corporation, trust, unincorporated association or joint venture, a government or any department or agency thereof, or any other entity.

"Proceeding" means any suit in equity, action at law or other judicial or administrative proceeding.

"Purchase Agreement" means the Railcar Purchase and Sale Agreement, dated as of March 20, 1981, between the Partnership and NAC.

"Purchase Price" means the purchase price for the Cars as agreed to between the Partnership and NAC in accordance with paragraph 6 of the Purchase Agreement and as set forth in the list delivered by the Partnership to the Trustees pursuant to paragraph (b) of Section 6 of the Secured Note Agreement.

"Qualified Trustee" means a corporation organized and doing business under the laws of the United States of America or any State thereof, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least \$5,000,000 and subject to supervision or examination by Federal or State authority.

"Railcar Requirements" means all laws (including, without limitation, the rules of the United States Department of Transportation and the ICC), AAR Rules and AAR standards applicable to the Cars.

"Rental Revenue" means for any period with respect to any Car an amount equal to the sum of the accrued Lease Rentals, Indemnification Amounts and Excess Usage Charges payable for such Car for such period, less Maintenance Charges accrued in respect of such Car for such period or, if the context so requires, the sum of Rental Revenue for all Cars during such period.

"Register" means the register for the registration and registration of transfer of Notes maintained by the Partnership pursuant to Section 1.04 hereof.

"Sale" has the meaning ascribed thereto in Section 5.02 hereof.

"Secured Indebtedness" means the indebtedness evidenced by the Notes, together with all amounts payable by the Partnership under the Secured Note Agreement or this Agreement.

"Secured Note Agreement" means the Secured Note Agreement, dated as of the date hereof, among the Partnership, the General Partner, NAC and the Trustees, including any amendment or modification thereof entered into in accordance with the applicable provisions thereof.

"Subordination Agreement" means the Subordination Agreement, dated as of the date hereof, from NAC and the General Partner to the Trustees, including any amendment or modification thereof entered into in accordance with the applicable provisions thereof.

"Unit of Leased Equipment" has the meaning specified in Section 1.1 of the Management Agreement.

"Unit of Managed Equipment" has the meaning specified in Section 1.1 of the Management Agreement.

"Unit Minimum Rental Revenue" means, for any full period shown in Schedule B attached hereto for any Car, the amount calculated in accordance with such Schedule B, and, for any period less than such full period, shall be calculated on a daily pro rata basis for the period involved. No Car with respect to which a Casualty Occurrence shall have occurred or which shall have been sold pursuant to Section 6.2.1(b) or 6.2.2(a) of the Partnership Agreement or otherwise shall be included in any calculation of Unit Minimum Rental Revenue from and after the date of such Casualty Occurrence or sale.

"Variable Interest" means, for any six-month period ending on any March 31, an amount equal to 21% of the amount, if any, by which Rental Revenue for all Cars for such period exceeds Minimum Rental Revenue for such period, and, for any twelve-month period ending on any September 30, and for the ten-month period ending on July 31, 1996, an amount equal to the excess of (a) 21% of the amount, if any, by which Rental

Revenue for all Cars for such period exceeds Minimum Rental Revenue for such period over (b) the amount of any Variable Interest paid for the six-month period ended on the March 31 immediately preceding such September 30 or July 31, as the case may be.

ARTICLE VII

Partial Release of Cars and Discharge of Agreement

SECTION 7.01. Partial Release. At any time after the Final Note Maturity Date and at the request and expense of the Partnership, the Trustees shall release from the Lien of this Agreement any Car subject to such Lien, provided that all Secured Indebtedness due and payable on or prior to the date of such release shall have been paid in full, and, provided, further, that, after giving effect to any such release, the aggregate AAR Settlement Value, as of the date of such release, of all Cars remaining subject to such Lien shall exceed the number determined by taking 150% of the aggregate amount of Variable Interest, as certified by the Partnership to the Trustees, payable by the Partnership after such date and on or prior to September 30, 1996.

SECTION 7.02. Complete Discharge. This Agreement and all agreements contained herein shall cease and terminate when all Secured Indebtedness shall have been paid in full, whether at the end of the term of the Notes, by acceleration, by prepayment or otherwise. Upon the termination of this Agreement the Trustees shall, at the Partnership's expense, execute and deliver such instruments as shall be reasonably requested by the Partnership to satisfy and discharge the Lien of this Agreement.

ARTICLE VIII

Miscellaneous

SECTION 8.01. Notices. All notices, requests and demands hereunder shall be in writing and shall be deemed to have been given when delivered, or when mailed by registered or certified mail, postage prepaid, and addressed, in each case as follows: (a) if to the Trustees, at 112 Prospect Street, Stamford, Connecticut 06901, Attention: Manager, Fixed Income Investments, or (b) if to the Partnership, c/o NAC Railcar Investors, Inc., 33 West Monroe Street, Suite 2400, Chicago, Illinois 60603, Attention: President. Either party

may change its address for notices hereunder by giving notice of such change to the other party hereto.

SECTION 8.02. Permitted Contests. Notwithstanding any other provision of this Agreement, the Partnership may contest by appropriate Proceedings the amount, validity or application of any tax, duty, impost, assessment, charge, claim or any Lien on or with respect to the Cars or any claim which, if unpaid, might become such a Lien, provided that nonpayment thereof or the contest thereof does not adversely affect the Lien of this Agreement. The Partnership shall conduct all such contests in good faith and with due diligence and shall, promptly after the termination of any such contest, pay and discharge all amounts determined to be payable therein.

SECTION 8.03. Interest Modification. If, in the opinion of the Trustees' counsel, at any time any portion of Fixed Interest, Variable Interest or any other amount payable under this Agreement will constitute unrelated business income within the meaning of the Internal Revenue Code of 1954, as amended, the provisions of this Agreement relating to Fixed Interest, Variable Interest or such other amount, as the case may be, will be modified so that the same will not, in the opinion of the Trustees' counsel, give rise to unrelated business income. Such modification shall provide the Trustees with economic benefits of an aggregate value equal to, but in no event to exceed, those then provided for in this Agreement, but shall not in any event, in the judgment of the Partnership, impose financial obligations on the Partnership in excess of those imposed by this Agreement before such modification is given effect.

SECTION 8.04. Powers and Agencies. Whenever in this Agreement the Trustees are granted the power of attorney or are appointed the agent and attorney-in-fact with respect to any Person, such grant or appointment is irrevocable and coupled with an interest. The Trustees shall have full power of substitution and delegation in respect of all such grants and appointments.

SECTION 8.05. Separability. Any provision hereof or of the Notes which is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction will not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by law, the parties

hereto hereby waive any provision of law which renders any such provision prohibited or unenforceable in any respect.

SECTION 8.06. Binding Effect. All provisions hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto, and to any transferee of the Notes. Except as provided in the immediately preceding sentence, nothing herein shall be deemed to create any rights in, and this instrument shall not be construed to be a contract in whole or in part for the benefit of, any Person not a party hereto. Any action by the holder of any Note shall bind every future holder of such Note.

SECTION 8.07. Amendment and Waiver. This Agreement may not be amended orally, nor may any obligation of any party under this Agreement be waived orally, but only by an instrument signed by the parties hereto. The Partnership may rely on the latest certificate delivered by the Trustees to the Partnership as to the identity of each of the Trustees and the authority of any one or more of the Trustees to execute and deliver any such amendment or waiver, or any release of any of the Cars pursuant to Article III or Article VII hereof.

SECTION 8.08. Liability. (a) The Trustees agree that, notwithstanding any provision to the contrary set forth in this Agreement or the Secured Note Agreement, the Trustees will look solely to the Collateral for the payment of the Notes, and no other property or assets of the Partnership shall be subject to levy, execution or other enforcement procedure for the satisfaction of the remedies of the Trustees, or for any payment required to be made under the Notes, the Secured Note Agreement or this Agreement, or for the performance of any of the covenants or warranties contained herein or therein; provided, however, that the foregoing provisions of this sentence shall not (a) constitute a waiver of any obligation evidenced by the Notes or secured by this Agreement, or (b) limit the right of the Trustees to name the Partnership as a party defendant in any action or suit for judicial foreclosure and sale under this Agreement, or for any other appropriate remedies permitted by this Agreement or by applicable law, so long as no judgment in the nature of a personal monetary judgment shall be asked for or taken against the Partnership.

(b) No recourse under or upon any obligation, covenant or agreement contained herein or in the Secured Note Agreement or in any indenture or other instrument supplemental hereto or thereto, or in any Note, or because of the creation of any indebtedness hereby secured, shall be had against any

Partner past, present or future, as such, either directly or through the Partnership, under any rule of law, statute or constitution or by the enforcement of any assessment or penalty or by legal or equitable proceeding or otherwise, it being expressly agreed and understood that this Agreement, the Secured Note Agreement, and all indentures or other instruments supplemental hereto or thereto and the obligations hereby and thereby secured are solely the obligations of the Partnership (subject to the limitations set forth in paragraph (a) of this Section 8.08) and that the non-Partnership property of the Partners is not available for satisfaction of such obligations, and that no personal liability whatever shall attach to, or be incurred by, any Partner as such, because of the incurring of the indebtedness hereby authorized, or under or by reason of any of the obligations, covenants or agreements contained in this Agreement, the Secured Note Agreement or in any indenture or other instrument supplemental hereto or thereto or in any of the Notes or implied therefrom, and that any and all such personal liability of every name and nature, and any and all such rights and claims against any Partner, as such, whether arising at common law or in equity or created by rule of law, statute, constitution or otherwise, are expressly released and waived as a condition of, and as part of the consideration for, the execution of this Agreement and the issuance of the Notes; provided, however, that nothing contained in this Section 8.08 shall in any manner affect any obligation, covenant or agreement of any Partner or Affiliate thereof under any of the Car Agreements or Leases, or under any other instrument, referred to in this Agreement or the Secured Note Agreement, to which it is a party.

SECTION 8.09. Maximum Amounts Payable. Notwithstanding any other provision in the Notes, the Secured Note Agreement, any Car Agreement or herein, or in any other agreement or instrument referred to therein, to the contrary, the Partnership shall at no time be required to pay, and neither the Trustees nor any other holder of any Note shall be permitted to collect, any amount in excess of the maximum amount permitted by any law applicable to payments or collections which prohibits the payment or collection of interest in excess of a maximum amount.

SECTION 8.10. Counterpart Execution; Construction; Governing Law, Etc. The Table of Contents and Section and Article headings herein are for convenience of reference only, and shall not limit or otherwise affect the meaning hereof. This Agreement may be executed in several counterparts, each of which shall constitute an original, but all of which together shall constitute one and the same instrument. This

Agreement shall be governed by and construed in accordance with the laws of the State of Illinois. The Partnership hereby submits to the jurisdiction of any federal or state court sitting in the State of New York or the State of Illinois, in connection with any legal proceeding arising out of or relating to the transactions contemplated by the Secured Note Agreement or hereby.

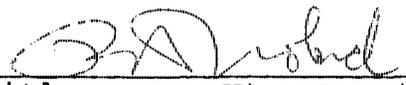
IN WITNESS WHEREOF, the Partnership and the Trustees have caused this Agreement to be duly executed and delivered as of the day and year first above written.

NORTH AMERICAN RAILCAR PARTNERS,
LTD. 1981-I

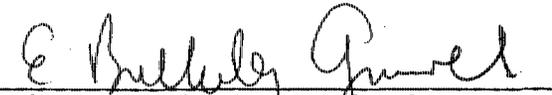
By NAC Railcar Investors, Inc.,
General Partner

ATTEST:


Assistant Secretary

By 
Title: Vice President

TRUSTEES OF GENERAL ELECTRIC
PENSION TRUST

By  
Acting Herein by a Single Trustee
Pursuant to Article V of the
General Electric Pension Trust

STATE OF ILLINOIS)
) ss.:
COUNTY OF COOK)

On this 3^d day of June __, 1981, before me personally appeared Roger A. Noback and Edward H. Soderstrom II, to me personally known, who being by me duly sworn, says that they are, respectively, a Vice Pres. & Asst. Secy of NAC RAILCAR INVESTORS, INC., a Delaware corporation, the corporation which is the general partner of North American Railcar Partners, Ltd., 1981-I an Illinois limited partnership, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed today on behalf of said corporation by authority of its Board of Directors; and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation and of said limited partnership.

[NOTARIAL SEAL]

Debra A. Kelly
Notary Public

My commission expires: My Commission Expires Feb. 23, 1983

STATE OF CONNECTICUT)
) ss.: Stamford
COUNTY OF Fairfield)

On this 5th day of June __, 1981, before me personally appeared C. Bulkeley Triswood, to me personally known, who being by me duly sworn, says that he is a Trustee of the TRUSTEES OF GENERAL ELECTRIC PENSION TRUST, that said instrument was signed and sealed today on behalf of said trust by authority of the General Electric Pension Trust; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said trust.

[NOTARIAL SEAL]

Kathryn D. Stone
Notary Public

My commission expires:

KATHRYN D. STONE
NOTARY PUBLIC
MY COMMISSION EXPIRES MARCH 31, 1986

ANNEX I

Form of Note

NORTH AMERICAN RAILCAR PARTNERS, LTD. 1981-I
Senior Secured Note Due 1996

\$ _____

Chicago, Illinois

North American Railcar Partners, Ltd. 1981-I, an Illinois limited partnership (the "Partnership"), for value received, hereby promises to pay to

or registered assigns, on or before [insert the Note Maturity Date with respect to such Note]*, as hereinafter provided, (a) the principal sum of _____ Dollars, (b) the Capitalized Interest described in clause (i) below, (c) interest on the unpaid principal amount hereof (including such Capitalized Interest) from the date hereof to maturity at the rate of 14% per annum ("Fixed Interest"), (d) the Variable Interest described in clause (iii) below, and (e) interest on any overdue amounts referred to in clauses (a) to (d), inclusive, of this paragraph at the Penalty Interest Rate ("Penalty Interest"). Amounts referred to in clauses (a), (b), (c) and (e) of this paragraph shall be computed as if each year consisted of 360 days and each month consisted of 30 days, and Variable Interest referred to in clause (d) of this paragraph shall be computed as provided in the below-mentioned Security Agreement.

Amounts referred to in the first paragraph of this Note shall be payable in lawful money of the United States of America, in the following manner:

(i) Fixed Interest accrued and unpaid on this Note from the date hereof to [insert the last day of the month in which the Loan Date with respect to such Note occurred] "Capitalized Interest", shall be added to, and accrue interest and be amortized together with the original principal amount stated in clause (a) above;

*Terms with initial capital letters used in the bracketed portions of this Annex I have the meanings given them in Article VI of the Security Agreement to which this Annex I is attached.

(ii) 179 monthly instalment payments ("Instalment Payments"), each in the amount of \$ _____, containing principal, Capitalized Interest and Fixed Interest, shall respectively be due and payable on [insert the last day of the month immediately following the month in which the Loan Date with respect to such Note occurred] and on the last day of each month thereafter to and including [insert the last day of the month immediately preceding the month in which the Note Maturity Date with respect to such Note will occur] provided, that, upon any partial prepayment of this Note pursuant to the below-mentioned Security Agreement, the amount of the Instalment Payments thereafter to be made hereon shall be recalculated as provided in Section 4.05 of such Security Agreement;

(iii) Variable Interest accrued and unpaid on this Note from June __, 1981 to and including July 31, 1996 shall be due and payable on each January 31 and July 31 commencing with January 31, 1982, and on September 30, 1996, under the circumstances and in the amounts provided in the below-mentioned Security Agreement; and

(iv) The balance, if any, of the unpaid principal amount hereof (including such Capitalized Interest) shall be due and payable on [insert the Note Maturity Date for such Note].

Each Instalment Payment, when paid, shall be applied first to the payment of all Fixed Interest accrued and unpaid on this Note and then to payment on account of the principal hereof (including any Capitalized Interest).

This Note is one of the Partnership's Senior Secured Notes Due 1996 issued pursuant to, secured as provided in, and subject to the provisions of, the Security Agreement, dated as of June 11, 1981 (as amended or supplemented, the "Security Agreement"), between the Partnership and the Trustees of General Electric Pension Trust. The terms used in this Note and not hereinabove defined have the meanings indicated in Article VI of the Security Agreement.

Except as otherwise provided in the Secured Note Agreement, all payments on this Note shall be made against presentment of this Note at the principal office of the Partnership located in Chicago, Illinois.

This Note is subject to prepayment in the manner, to the extent, under the circumstances and at the prices provided in the Security Agreement.

During the continuance of an Event of Default under the Security Agreement, the principal hereof (including any Capitalized Interest), and the Interest accrued and unpaid hereon, may be declared to be due and payable forthwith as provided in the Security Agreement.

Should any of the indebtedness represented by this Note be collected in any Proceeding, or this Note be placed in the hands of attorneys for collection after default, the Partnership agrees to pay, in addition to the principal (including any Capitalized Interest), premium, if any, and Interest due and payable hereon, all costs of collecting this Note, including reasonable attorneys' fees and expenses.

This Note is a registered Note and may be transferred only in accordance with Section 1.03 of the Security Agreement. Prior to due presentment of this Note for registration of transfer, the Partnership may deem and treat the registered owner of this Note as the absolute owner hereof, and the Partnership shall not be affected by any notice to the contrary.

Each registered owner of this Note agrees that, notwithstanding any provision to the contrary set forth in the Security Agreement or the Secured Note Agreement, such registered owner will look solely to the Collateral for the payment of this Note, and no other property or assets of the Partnership shall be subject to levy, execution or other enforcement procedure for the satisfaction of the remedies of such registered owner, or for any payment required to be made under this Note, the Secured Note Agreement or the Security Agreement, or for the performance of any of the covenants or warranties contained herein or therein; provided, however, that the foregoing provisions of this sentence shall not (a) constitute a waiver of any obligation evidenced by this Note or secured by the Security Agreement, or (b) limit the right of such registered owner to name the Partnership as a party defendant in any action or suit for judicial foreclosure and sale under the Security Agreement, or for any other appropriate remedies permitted by the Security Agreement or by applicable law, so long as no judgment in the nature of a personal monetary judgment shall be asked for or taken against the Partnership.

No recourse under this Note shall be had against any Partner, as such, it being expressly understood that the obligations hereunder and under the Secured Note Agreement are solely the obligations of the Partnership (subject to the limitations set forth in the preceding paragraph), that the non-Partnership property of the Partners is not available for

satisfaction of such obligations and that no Partner, as such, shall have any personal liability in respect thereof; provided, however, that nothing contained in the foregoing shall in any manner affect any obligation, covenant or agreement of any Partner or Affiliate thereof under any of the Car Agreements or Leases, or under any other instrument, referred to in the Security Agreement or the Secured Note Agreement, to which it is a party.

IN WITNESS WHEREOF, the Partnership has caused this Note to be executed and delivered.

Dated: _____

NORTH AMERICAN RAILCAR PARTNERS, LTD. 1981-I

By NAC Railcar Investors, Inc.,
General Partner

By _____
Title:

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
2	20,000 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	24270, 24272	Air Products and Chemicals, Inc.	10 Yrs.	12-31-81
6	21,000 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Cars	75008 - 75013	Air Products and Chemicals, Inc.*	5 Yrs.	1-31-85
4	20,500 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	23499, 23792 23795, 23796	Air Products and Chemicals, Inc.*+	5 Yrs.	5-31-86
2	21,000 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	22744 - 22745	Allied Chemical Corporation*	4 Yrs., 6 Mos.	4-30-85
1	20,500 Gallon Capacity, 100 Ton Truck, Interior Coiled Tank Car	23440	Amoco Chemicals Corporation	5 Yrs.	8-31-84
2	21,000 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	21995, 23655	Agrico Chemical Company*	3 Yrs.	3-31-84
3	21,000 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Cars	23667, 23854 23857	Agrico Chemical Company	6 Mos.	10-31-81

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
39	4750 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars	52921, 52923	Agrico Chemical Company/ Farmers Union Grain	5 Yrs. 2 Yrs., 7 Mos.	6-30-81 12-31-81
		52922, 52926			
		52927 - 52929			
		52931, 52933			
		52934, 52935			
		52939 - 52941			
		52943, 52945			
		52946, 52948			
		52950, 52952			
		52960, 52964			
52965 - 52969					
52975, 52976					
52978, 52979					
52980, 52982					
52985 - 52988					
52991, 52992					
3	21,000 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	8246, 23788,	American Cyanamid Company*	5 Yrs.	1-31-86
		23789			
8	21,000 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Cars	23352 - 23356,	American Cyanamid Company	3 Yrs.	4-30-84
		23359 - 23361			

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(S)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
4	16,500 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	16251, 16252 16254, 16258	American Maize Products Co.	5 Yrs.	5-31-85
19	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	23110 - 23124 23126 - 23129	Archer-Daniels-Midland Co.	3 Yrs.	11-30-81
1	16,500 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Car	16257	Archer-Daniels-Midland Co.	3 Yrs.	5-31-83
1	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Car	24308	Ashland Oil, Inc.	5 Yrs.	12-31-85
8	Same as Above	71020 - 71022 71045, 71047 71048, 71118 71125	Arco Petroleum Products Co.	5 Yrs.	2-28-85
3	Same as Above	23743 - 23745	B.C. Chemicals, Ltd. *+	10 Yrs.	5-31-91
1	20,500 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Car	8234	Bisceglia Brothers Wine Co.	6 Yrs.	7-31-81
1	Same as Above	23494	Bisceglia Brothers Wine Co.	5 Yrs.	6-30-85
3	4450 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars	44528, 44532- 44533	Borden, Inc., Chemical Div.	5 Yrs.	8-31-81

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
24	4427 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars	48855, 48897 48916, 48947- 48953, 48955- 48961, 48963 48964 - 48969	Borden, Inc., Chemicals Div.	3 Yrs.	6-30-81
6	Same as Above	48800 - 48805	Robert W. Meserve and Benjamin H. Lacy Trustees of the Property of Boston and Maine Corporation, Debtor*	4 Yrs., 5 Mos.	8-31-81
4	20,500 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	23471 - 23474	C and T Refinery, Inc.	5 Yrs.	2-28-84
9	20,500 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Cars	22790, 23862 23863, 23864 23866, 23868 23875, 71281 75070	C.F. Industries, Inc.	3 Yrs.	8-31-83
95	4427 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars	44538, 44542 44544, 48178 48180 - 48184 48186 - 48188 48190 - 48233 48236 - 48263 48265, 48277 48267 - 48275	C.F. Industries, Inc. / Goldkist, Inc.	5 Yrs. 5 Yrs.	6-14-85 1-14-85

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
38	4740 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars	49335, 49340 49344, 49350 49356, 49362 49363, 49371 49375, 49380 49383, 49397 49403, 49410 49411, 49414 49425, 49427 49442, 49444 49450, 49455 49460, 49461 49464, 49465 49467, 49471 49472, 49474 49476, 49480 49484, 49485 49491, 49494 49496, 49498	C.F. Industries, Inc. / Goldkist, Inc.	5 Yrs. 5 Yrs.	6-14-85 1-14-85
1	20,500 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Car	23496	Capital City Products Company, Division of Stokely-Van Camp, Inc.	5 Yrs.	11-30-85
6	16,500 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	16299 - 16304	Cargill Incorporated	5 Yrs., 4 Mos.	9-30-86

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
4	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	22453, 23448, 23450, 23532	Cargill Incorporated*	5 Yrs., 6 Mos.	9-30-86
6	20,500 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	23790, 71383 71385, 71386 71390, 71410	Cargill Incorporated	5 Yrs.	9-30-85
12	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	23433, 23624, 23671 - 23672, 23676, 23686, 23712, 23887, 71005, 71052, 71078, 71089	Cargill Incorporated	5 Yrs.	7-31-81
12	4427 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars	48337, 48412 48705, 48736, 48866, 48870, 48915, 48922, 48938, 48946, 48962, 48970	Cargill Incorporated	5 Yrs.	12-31-84
19	4740 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars	49211, 49240, 49268, 49295, 49299, 49336, 49360, 49364, 49368, 49399, 49400, 49402, 49405, 49416, 49469, 49487, 49495, 52805, 52809	Cargill Incorporated	5 Yrs.	12-31-84
14	16,500 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	16210 - 16219 16221 - 16224	Cargill Incorporated	5 Yrs. 6 Mos.	9-30-85
14	Same as Above	16265 - 16278	Cargill Incorporated	5 Yrs.	6-30-85

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
1	4427 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Car	48280	Carnation	5 Years	12-31-85
1	21,000 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Cars	22792	Chemfax, Inc.	3 Years	1-31-84
1	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Car	71105	Chemical Exchange	3 Years	4-30-81
2	20,500 Gallon Capacity, 70 and 100 Ton Trucks, Interior Coiled Tank Cars	71088, 71195	Chicago Shortening Corporation	5 Years	2-28-85
2	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	23613 - 23614	Clinton Corn Processing Company	5 Years	6-30-85
5	16,500 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	16250, 16253 16255, 16256 16259	Clinton Corn Processing Company*	5 Years	5-31-85
3	4750 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars	50700, 50706 50739	Coast Trading Company	5 Years	11-30-85
17	21,00 Gallon Capacity 100 Ton Trucks, Non- Coiled Tank Cars	21970, 22762 25660, 75024 75027, 75029 75030 - 75032 75034, 75035 75037 - 75041 75043	Columbia Nitrogen Corporation*	6 Mos.	8-31-81

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
16	21,000 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Cars	23644, 23648, 23665, 23693, 23718, 23720 23722, 23849, 23852, 23853, 23859, 23871, 23872, 75066, 75067 , 75068	Columbia Nitrogen Corpora- tion*	3 Yrs.	12-31-83
1	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Car	22865	Cross Oil & Refining Company	5 Yrs.	2-28-86
2	21,000 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Cars	22873, 22874	W.R. Grace and Company	3 Yrs.	7-31-83
7	20,500 Gallon Capacity, 70 & 100 Ton Trucks, Coiled Tank Cars	71039, 71042, 71043, 71232 71233, 71236 71238	E.I. duPont de Nemours & Company	5 Yrs.	2-28-85
2	21,000 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Cars	23358, 75064	E.I. duPont de Nemours & Company	5 Yrs.	7-31-85

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
3	21,000 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	23321, 23323, 23324	E. I. duPont de Nemours & Company	3 Yrs.	3-31-83
1	20,000 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Car	23187	E. I. duPont de Nemours & Company	5 Yrs.	3-31-85
3	4650 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars	90318, 90327, 90329	E. I. duPont de Nemours & Company	5 Yrs.	11-30-81
4	4450 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars	44529 - 44531 44539	E. I. duPont de Nemours & Company	5 Yrs.	11-30-81
1	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Car	23689	William Eisenstadt Company	5 Yrs.	10-31-85
2	24,000 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	78038, 78039	Ferro Corporation*	5 Yrs.	5-31-83
5	21,000 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	23485, 71415, 71416, 71427, 71428	First Chemical Corporation	3 Yrs.	1-31-84

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
3	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	23319, 23436, 71104	First Chemical Corporation	3 Yrs.	3-31-84
1	Same as Above	22488	First Chemical Corporation	3 Yrs.	1-31-83
8	Same as Above	22401, 22412, 22413, 22462, 22723, 22732, 22735, 22862	Flambeau Paper Corporation, Subsidiary of Pentair, Inc.	5 Yrs.	2-28-85
24	Same as Above	22417, 22713, 22714, 22716, 22860, 23316, 23403, 23404, 23437, 23443, 23444, 23445, 23447, 23619 23623, 23629, 23631, 23634, 23637, 23673, 23685	Florida Molasses Exchange, Inc.	5 Yrs.	11-30-85
5	23,500 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	25507, 25517 25662, 25666 25668	Gary Refining Company	5 Yrs.	7-31-85
3	24,000 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	25514, 25539, 25661	GAF Corporation	5 Yrs.	3-31-86

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
1	21,000 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	8233	General Tire and Rubber	5 Yrs.	2-28-86
5	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	23810 - 23814	Geo. A. Hormel and Company	5 Yrs.	12-31-85
2	Same as Above	22922, 22923	Geo. A. Hormel and Company	5 Yrs.	1-31-85
9	Same as Above	22704 - 22712	Humko Products Division, Kraftco Corporation	5 Yrs.	12-31-84
5	Same as Above	71060, 71064 71065, 71066 71067	Humko Products Division, Kraftco Corporation	10 Yrs.	4-30-81
1	Same as Above	23635	Humko Products Division, Kraftco Corporation	5 Yrs.	3-31-85
9	Same as Above	23566, 23568 23616 - 23618 71002, 71008 71010, 71013	Humko Products Division, Kraftco Corporation	3 Yrs.	5-31-83
12	20,500 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	71214 - 71225	Hunt Wesson Foods, Inc.	10 Yrs.	12-31-81
10	20,500 Gallon Capacity, 70 Ton Trucks, Interior Coiled Tank Cars	71141 - 71150	Hunt Wesson Foods, Inc.	5 Yrs.	10-31-81

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
44	4450 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars	44534, 44537 44550, 44552- 44559, 44561, 44563 - 44567, 44569 - 44579, 44581 - 44589, 44592 - 44597, 44599	International Minerals & Chemical Corporation	5 Yrs.	10-31-81
1	20,500 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Car	71381	Kalama Chemicals, Inc.	5 Yrs.	8-31-85
2	Same as Above	71411 - 71412	Kalama Chemicals, Inc.	5 Yrs.	10-31-85
10	23,500 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	25512, 25565 25551 - 25555 25558 - 25560	Koppers Company, Inc.	5 Yrs.	5-31-83
3	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	23565, 23688 71024	Land O'Lakes, Inc.	5 Yrs.	6-30-85
1	4200 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Car	90258	Midwest Solvents Co., Inc.	10 Yrs.	7-31-81
1	21,000 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Cars	23363	Monsanto Company	3 Yrs.	8-31-83

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
6	4650 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars	90317, 90319 90322 - 90325	Monsanto Company	3 Yrs.	4-30-83
12	21,000 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Cars	75005, 75006, 75014, 75023	Monsanto Company	3 Yrs.	7-31-83
1	21,000 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Car	23308	National By-Products, Incorporated	5 Yrs.	3-31-85
1	Same as Above	23310	National By-Products, Incorporated	5 Yrs.	3-31-85
1	Same as Above	23312	National By-Products, Incorporated	5 Yrs.	3-31-85
1	21,000 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Car	71384	National Starch and Chemical Corporation	5 Yrs.	3-31-86
4	4740 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars	49103, 49181 49185, 49404	National Silicates, Limited	5 Yrs.	5-31-84
3	21,000 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Cars	23715, 23882, 23883	Nekoosa Papers, Inc.	5 Yrs.	3-31-86

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
1	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	23415	Nottingham Company	5 Yrs.	3-31-85
5	4427 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars	48595, 48624 48635, 48655 48676	Olin Chemicals Division, Olin Corporation	5 Yrs.	2-28-85
2	21,000 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Cars	23511, 23512	Pennwalt Corporation	5 Yrs.	9-30-84
10	24,000 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	25379, 25385, 25389, 25393, 25396 - 25398, 25454, 25457, 25473	Pennzoil Company	2 Yrs.	12-31-81
3	4427 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars	48070 - 48072	Chas. A. Pfizer and Com- pany, Inc.*	5 Yrs.	1-31-85
1	30,000 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Car	29981	Phillips Petroleum Company	3 Yrs.	6-30-81

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
42	4750 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars.	50900, 50903 50911, 50916 50918, 50924 50929, 50936 50940, 50945 50948, 50950 50952, 50961 50979, 52801 52804, 52816 52818, 52830 52834, 52838 52847, 52849 52850, 52855 52857, 52863 52870, 52872 52875, 52880 52883, 52896 52899, 52902 52909, 52913 52916, 52917 52919, 52920	Potash Corporation of Saskatchewan Sales Limited/ Farmers Union Grain	5 Years 2 Yrs., 6 Mos.	6-30-82 12-31-81
7	4740 Cu. Ft. Capacity 100 Ton Trucks, Covered Hopper Cars	49121, 49233 49238, 49308 49378, 49389 49486	Procter & Gamble Company	2 Years	6-30-82
1	4427 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Car	48157	Riviana Foods, Incorporated	5 Years	9-30-81
1	Same as Above	48393	Riviana Foods, Incorporated	5 Years	6-30-85

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
25	4750 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars	46843 - 46849 46851 - 46854 46856 - 46869	Schenley Distillers, Inc.	5 Years	3-31-85
5	4427 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars	49573 - 49577	Seaboard Allied Milling Corporation	3 Yrs. 9 Mos.	8-31-81
9	21,000 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Cars	21975, 21978 21979 - 21981 23697 - 23699 21987	Shell Oil Company	5 Years	8-31-85
1	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	23576	Sioux-Preme Packing Company	5 Years	3-31-85

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
32	4427 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Cars	49646, 49649, 49651 - 49654 49656, 49657 49662 - 49669 49672, 49673 49676, 49678 49679, 49680 49682, 49683 49686 - 49692 49694	Simcal Chemical Corp.	4 Yrs., 7 Mos.	5-31-85
24	23,500 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	25567 - 25582 25584 - 25591	Standard Oil of Company of California/ Golden Gate Petroleum Company	5 Years 5 Years	10-31-81 4-15-82
12	Same as Above	76027 - 76038	Standard Oil of Company of California/ Deal Petroleum	5 Years 5 Years	11-1-84 4-30-83
10	16,500 Gallon Capacity 100 Ton Trucks, Exterior Coiled Tank Cars	16310 - 16319	Su Crest Corporation	5 Years	8-31-81
1	24,000 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Car	25665	Sun Chemical Corporation	5 Years	7-31-85
10	21,000 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	21854 - 21863	Sun Petroleum Prods. Co.	5 Years	8-31-84
2	Same as Above	22876, 22877	Sun Petroleum Prods. Co.	5 Years	2-28-85
2	21,000 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Cars	23516, 23517	Sun Petroleum Prods. Co.	5 Years	10-31-85

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
16	21,000 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	24350 - 24365	Sun Petroleum Prods. Co.	5 Years	7-31-81
1	Same as Above	22490	Sun Petroleum Prods. Co.	5 Years	3-31-85
1	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	23003	Sun Petroleum Prods. Co.	5 Years	4-30-85
6	21,000 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Cars	21971, 21973 21974, 21977 21984, 21986	Union Oil Company of California	3 Years	3-15-83
1	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	71108	Union Camp Corporation	5 Years	11-30-84
9	21,000 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Cars	23501 - 23504 23506 - 23510	U.S. Industrial Chemical Company	5 Years	9-30-84
1	Same as Above	23846	USAMEX Fertilizers, Inc.	3 Years	7-31-83
10	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	22838, 23406 23628, 23633, 23638, 23885, 23889, 71001, 71009, 71290	Volunteer T & B, Inc.	3 Years	10-31-83

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
2	Same as Above	23429, 71015	Volunteer T & B, Inc.	5 Years	2-28-86
1	Same as Above	22465	Westvaco Corporation*	5 Years	3-31-86
2	24,000 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	25449, 25450	Westvaco Corporation	5 Years	5-31-81
1	24,000 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Car	25566	Westvaco Corporation	3 Years	5-31-83
4	21,000 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	21991 - 21994	Westvaco Corporation	5 Years	5-31-81
1	Same as Above	23125	Westvaco Corporation	3 Years	6-30-81
2	Same as Above	23886, 23893	Westvaco Corporation	5 Years	8-26-85
7	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	22487, 22492, 23315, 23405, 23625, 71287, 71329	Westvaco Corporation	5 Years	8-31-85
1	24,000 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Car	25471	Westvaco Corporation	5 Years	8-31-85

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
5	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	23430, 23700- 23701, 23703, 23704	Wilson Foods Corporation	5 Years	6-30-85
5	Same as Above	23706, 23708- 23710, 23728	Wilson Foods Corporation	5 Years	8-31-85
12	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	23731 - 23742	Wilson Foods Corporation	5 Years	11-30-85
4	Same as Above	23806 - 23809	Wilson Foods Corporation	10 Years	9-30-81
5	Same as Above	22715, 22861 23446, 23670 23680	Wilson Foods Corporation**	5 Years	5-31-86
4	Same as Above	22386, 23244 23246, 23677	Wilson Foods Corporation	5 Years	12-31-81
4	24,000 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	25519, 25530- 25532	Witco Chemical Corporation	5 Years	9-30-85

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number(s)</u>	<u>Lessee</u>	<u>No. of Years</u>	<u>Termination Dates</u>
1	20,500 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	22703	Witco Chemical Corporation	4 Yrs. 5 Mos.	12-31-84
4	21,000 Gallon Capacity, 100 Ton Trucks, Exterior Coiled Tank Cars	21850 - 21853	Zip Transportation Co., Inc.	5 Yrs. 1 Mo.	12-31-84
7	4427 Cu. Ft. Capacity, 100 Ton Trucks, Covered Hopper Car	48581, 48582, 48585, 48586 48587, 48594 48478	Unassigned	-	-
1	24,000 Gallon Capacity, 100 Ton Trucks, Interior Coiled Tank Cars	25440	Unassigned	-	-
1	20,500 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Car	22791	Unassigned	-	-
5	21,000 Gallon Capacity, 100 Ton Trucks, Non- Coiled Tank Cars	75025, 75026 75036, 75042 75044	Unassigned	-	-
27	20,500 Gallon Capacity, 70 & 100 Ton Trucks, Interior Coiled Tank Cars	23746 - 23757 71040, 71041 71229, 71230 71234, 71237 71055 - 71059 71062, 71063 71068, 71069	Unassigned	-	-
<u>1,000</u>		<u>Total All Cars</u>			

SCHEDULE B

Unit Minimum Rental Revenue

Unit Minimum Rental Revenue for any Car equals, for any full period, the dollar amount set forth below opposite such period multiplied by a fraction the numerator of which is the Purchase Price of such Car and the denominator of which is the aggregate Purchase Price of all Cars originally sold by NAC under the Purchase Agreement. In the event that less than all of the Cars originally listed on Schedule A to the Security Agreement are sold by NAC to the Partnership, the dollar amount set forth below for any period shall be adjusted to equal the dollar amount set forth below for any such period multiplied by a fraction, the numerator of which is the actual number of Cars sold by NAC to the Partnership pursuant to the Purchase Agreement and the denominator of which is 1000.

<u>Year</u>	<u>Minimum Rental Revenue</u>	
	Six Months Ending 3/31	Twelve Months Ending 9/30
1981.....	\$ ---	\$3,460,500
1982.....	1,793,700	3,660,600
1983.....	1,779,200	3,530,700
1984.....	1,730,200	3,439,100
1985.....	1,731,700	3,486,300
1986.....	1,812,800	3,683,900
1987.....	1,902,600	3,836,800
1988.....	1,904,900	3,780,700
1989.....	1,855,900	3,692,100
1990.....	1,866,300	3,762,700
1991.....	1,960,900	3,986,400
1992.....	2,061,100	4,158,000
1993.....	2,067,100	4,104,400
1994.....	2,021,200	4,026,300
1995.....	2,049,900	4,144,500
1996.....	2,182,100	4,451,600