

CHICAGO AND



TRANSPORTATION COMPANY

JOAN A. SCHRAMM
J.S. EDWARDS
FRANCES L. TURNER
ASSISTANT SECRETARIES

DIRECT DIAL NUMBER
312/454-6535

July 17, 1981

File No. A-11589

RECORDATION NO. 1319
FILE 1426

JUL 20 1981 - 10 25 AM

INTERSTATE COMMERCE COMMISSION

1-201A055
No.

Date JUL 20 1981

Fee \$ 50.00 + \$ 50.00

RECORDATION NO. 1319
FILE 1426

ICC Washington, D. C.

JUL 20 1981 - 10 25 AM

INTERSTATE COMMERCE COMMISSION

Agatha L. Mergenovich, Secretary
Interstate Commerce Commission
Washington, D. C. 20423

Dear Ms. Mergenovich:

Pursuant to Section 11303 (formerly Section 20c) of the Interstate Commerce Act, enclosed for recordation are counterparts of:

1. Reconstruction Agreement dated as of July 7, 1981, between Greyhound Leasing and Financial Corporation, Greyhound Tower Phoenix, Arizona 85077, and Chicago and North Western Transportation Company, 400 West Madison Street, Chicago, Illinois 60606 covering reconstruction of up to 120 railroad box cars and 9-bay window railroad cabooses.
2. Equipment Lease Agreement dated as of July 7, 1981, between Greyhound Leasing and Financial Corporation, Greyound Tower, Phoenix Arizona 85077, Lessor, and Chicago and North Western Transportation Company, 400 West Madison Street, Chicago, Illinois 60606, Lessee, covering 100-ton railroad boxcars, CNW Nos. 91650-91766 and 30 bay-window railroad cabooses, CNW Nos. 11221-11229.

Enclosed are two checks each for \$50.00 to cover your recording fees for each agreement. Please keep one counterpart for your files and return the other counterparts showing your recordation data. Please assign the same recordation number in sequential order to the Reconstruction Agreement and then to the Equipment Lease Agreement.

Very truly yours,

J. S. Edwards
Assistant Secretary

JSE:baf

Enclosures

cc: G. R. Charles
R. D. Smith
F. E. Cunningham, Attn: R. DeWitt
T. E. Greenland
R. F. Guenther, Attn: J. James

D. E. Stockham, Attn: P. J. Brod
Arthur Anderson & Co.
Attn: G. Holdren

RECEIVED
JUL 20 10 59 AM '81
FEE OPERATION DIV.
I.C.C.

Counterpart - J. S. Edwards

JUL 20 1981 -10 25 AM

INTERSTATE COMMERCE COMMISSION

RECONSTRUCTION AGREEMENT

This Agreement has been made as of this 7th day of July, 1981, between Greyhound Leasing and Financial Corporation ("GL&FC"), a Delaware corporation, Greyhound Tower, Phoenix, Arizona 85077, and Chicago and North Western Transportation Co., ("C&NW"), a Delaware corporation, 400 W. Madison Street, Chicago, Illinois 60606, wherein it is agreed:

1. Agreement to Reconstruct. In consideration of the agreements of GL&FC herein, C&NW hereby agrees to perform work in reconstruction of up to 120 100-ton 60'9" and 60'10-1/2" railroad boxcars ("Boxcars") and 9 30' bay-window railroad cabooses ("Cabooses") owned by GL&FC and delivered by GL&FC to the rails of C&NW in accordance with this Agreement ("Reconstruction", as herein defined) and GL&FC hereby agrees to pay C&NW the costs of such reconstruction ("Cost of Reconstruction", as herein defined) upon completion of Reconstruction as provided herein.

2. Reconstruction.

2.1 Reconstruction as to each Boxcar and Caboose (herein together referred to as "Units") shall mean performance by C&NW of any work C&NW deems necessary to restore the Boxcars to Loadable Interchange Condition and Cabooses to Interchange Condition, as these terms are defined herein.

2.2 "Loadable Interchange Condition" shall mean as to any Boxcar that the Boxcar is in condition both (i) eligible for use in interchange service in accordance with the Interchange Rules of the Association of American Railroads (the "Interchange Rules") and the safety road standards of the Federal Railroad Administration and (ii) fit for loading in normal service for the Boxcar Unit's car type and mechanical designation. "Interchange Condition" shall mean as to any Caboose that the Caboose is in condition both (i) eligible for interchange service in accordance with the Interchange Rules of the Association of American Railroads (the "Interchange Rules") and the safety standards of the Federal Railroad Administration and (ii) for road caboose service in accordance with C&NW's most current standards.

2.3 C&NW promptly will provide GL&FC with a list, including specifications, of the Reconstruction to be done by C&NW for approval by GL&FC with respect to Units received by C&NW for Reconstruction.

2.4 Upon completion of Reconstruction of a Unit or Units, C&NW shall provide GL&FC with written certification by its Assistant Vice President-Car that the Units have been reconstructed as provided herein and an invoice for the Cost of Reconstruction.

2.5 During Reconstruction C&NW shall afford to representatives of GL&FC, at such times and from time to time as GL&FC may require, and at GL&FC's expense and risk, access to C&NW's shops and the Units for the purpose of monitoring Reconstruction of the Units. C&NW shall maintain records of Reconstruction of the Units and the Costs of Reconstruction subject to reimbursement by GL&FC, as customarily made and maintained by C&NW for similar work. C&NW shall keep such records intact for reference by GL&FC's representatives and shall not destroy them without the consent of GL&FC. During and after Reconstruction, C&NW shall afford to representatives of GL&FC similar access to C&NW's shop and cost records for the purpose of auditing the Reconstruction, including the Reconstruction process and Cost of Reconstruction.

2.6 Reconstruction shall commence promptly upon delivery of each Unit to C&NW's tracks pursuant to Section 4 hereof and shall be completed within a reasonable time thereafter, but not, unless otherwise mutually agreed, later than December 31, 1981.

3. Cost of Reconstruction.

3.1 GL&FC shall reimburse C&NW for Costs of Reconstruction up to an average of \$18,000 per Boxcar and \$15,000 per Caboose, such average amount to be computed on a cumulative basis as Units are reconstructed within 30 days after C&NW gives GL&FC notice of C&NW's completion of Reconstruction pursuant to paragraph 2.4.

3.2 For this purpose, "Cost of Reconstruction" means the amounts invoiced by C&NW and which amounts are calculated in accordance with the applicable Interchange Rules of the Association of American Railroads, but not to exceed an average of \$18,000 per Boxcar and \$15,000 per Caboose.

4. Delivery and Acceptance for Reconstruction.

4.1 GL&FC at its expense shall cause the Units to be transported to the rails of C&NW and upon arrival of the Units at C&NW's rails, C&NW at its expense shall transport the Units to C&NW's shops for inspection by C&NW and, upon acceptance by C&NW, for Reconstruction.

4.2 C&NW shall inspect each Unit upon its arrival at C&NW's shops and determine, within seven days of arrival, whether or not Reconstruction can be completed at the agreed upon average Cost of Reconstruction as to the Boxcars and Caboose. If such determination is in the affirmative, C&NW shall accept such Unit for Reconstruction and give GL&FC notice of such determination; otherwise, C&NW shall reject such Unit, notify GL&FC of such rejection and hold such rejected Unit until it receives instructions from GL&FC as to disposition of such rejected Unit.

4.3 Upon acceptance of a Unit for Reconstruction C&NW warrants that the Cost of Reconstruction of all Units so accepted will not exceed an average of \$18,000 per Boxcar and \$15,000 per Caboose and C&NW will be responsible for any costs in excess of those amounts.

4.4 C&NW may refuse to accept delivery of any Unit for Reconstruction which is not transported to its rails by September 30, 1981.

5. Data Regarding Units. GL&FC will use its best efforts to provide C&NW without cost to C&NW (i) a complete set of reproducible tracings and photos of the design and specifications of the Units and all modifications thereto and (ii) the original cost and other necessary data required by C&NW to register the Boxcars in UMLER. C&NW shall register the Units with the AAR so that GL&FC is eligible, if and when the Units are returned to GL&FC pursuant to the terms of any Lease of the Units, for supplemental car hire under Circular OT-37-C as a result of Reconstruction, to the extent such eligibility is permitted by applicable rules.

6. Force Majeure.

6.1 Reasonable delay in performance of Reconstruction hereunder by C&NW or of delivery for Reconstruction hereunder by GL&FC shall be permitted without a breach of terms hereof and to the occurrence of events beyond the control of either of the parties, including without limitations acts of God, acts of government such as embargoes, priorities, allocations, war or war conditions, and other similar occurrences such as riot, civil commotion, sabotage, strikes or other labor conditions involving work stoppage or interruption and affecting Reconstruction, accidents, fires, floods, explosions, damage to plant equipment or facilities, epidemics, quarantine restrictions, delays or defaults of subcontractors, failure to receive necessary materials or supplies or fuel or power.

6.2 If any of the foregoing events cause delay or suspension of performance hereof for a period longer than three months or such longer period as GL&FC may determine, the parties hereto shall be relieved of any future performance hereunder; and Units delivered to C&NW for Reconstruction and not completed shall be returned to a location specified by GL&FC at C&NW's expense beyond the rails of C&NW; and GL&FC shall reimburse C&NW for any costs or expenses incurred in respect of the Reconstruction of any such Unit.

7. Liens. C&NW shall secure Units in its possession for Reconstruction against the imposition of any liens, encumbrances or security interests of its creditors.

8. Relationship of Parties. While the Units are on C&NW's rails or in C&NW's shops for Reconstruction, C&NW shall be a bailee for the mutual benefit of C&NW and GL&FC and not a lessee of the Units from GL&FC or agent of GL&FC.

IN WITNESS WHEREOF, the parties hereto have executed this Reconstruction Agreement as of July 7th, 1981.

CHICAGO AND NORTH WESTERN GREYHOUND LEASING & FINANCIAL
TRANSPORTATION COMPANY, LESSEE CORPORATION, LESSOR

By: [Signature]
Title: Vice President

By: [Signature]
Title: Vice President

Attest: [Signature]
Title: Assistant Secretary

Attest: [Signature]
Title: Assistant Secretary, Attorney

