

2550 Golf Road
Rolling Meadows, IL 60008

Telephone: 312/640-7000

EVANS / EVANS RAILCAR
PRODUCTS COMPANY / LEASING COMPANY
DIVISION

1-177A096

No.

Date JUN 26 1981
Fee \$ 50.00

June 25, 1981

13165

RECORDATION NO. Filed 1425

ICC Washington, D. C.

Office of the Secretary
Interstate Commerce Commission
Washington, D.C.

JUN 26 1981 - 1 10 PM

INTERSTATE COMMERCE COMMISSION

RECEIVED
JUN 26 1 02 PM '81
I.O.C.
FEE OPERATION BR.

RE: Equipment Trust Agreement Dated as of
June 15, 1981

Gentlemen:

Pursuant to Section 11303(a) of Title 49 of the United States Code and the rules and regulations promulgated thereunder, the undersigned hands you herewith for filing eight (8) executed counterparts of the above-referenced Equipment Trust Agreement, all as more fully described below:

- Issuer: Evans Railcar Leasing Company
The East Tower, Suite 1000
2550 Golf Road
Rolling Meadows, Illinois 60008
- Trustee: Girard Bank
Three Girard Plaza
Philadelphia, Pennsylvania 19010
- Guarantor: Evans Transportation Company
The East Tower, Suite 1000
2550 Golf Road
Rolling Meadows, Illinois 60008

A description of the trust equipment (including lettering and car reporting numbers) and a description of the leases covered by the Equipment Trust Agreement is set forth in Schedule A attached hereto. The Issuer described above is the lessor under each of the leases described in said Schedule A. The above-referenced Equipment Trust Agreement should also be filed as a sub-number or cross-referenced under the filing, if any, of any of the leases described in said Schedule A.

Handwritten signature: C. T. Koppelman

Office of the Secretary

June 25, 1981
Page Two

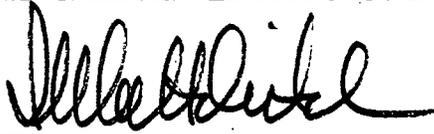
Enclosed is Rosenthal and Schanfield's check number 26813 in the amount of \$50.00 in payment of the applicable recording and filing fees.

Since the above-mentioned documents are being delivered to you by hand, we would appreciate it if you would return to the person delivering the same duly stamped copies of the documents not required to be kept by you. If this is not possible, please return the same by mail to:

Mr. I. Walter Deitch
Rosenthal and Schanfield
55 East Monroe St., Suite 4620
Chicago, Illinois 60603

Very truly yours,

EVANS RAILCAR LEASING COMPANY

By: 

Assistant Secretary.

IWD:glb
Encls.

DESCRIPTION OF TRUST EQUIPMENT

SCHEDULE A

| <u>TYPE OF CAR *</u> | <u>QUANTITY</u> | <u>LESSEE</u> | <u>MASTER LEASE DATE</u> | <u>SCHEDULE NO.</u> | <u>SCHEDULE DATE</u> | <u>TERM (YEARS)</u> | <u>CAR NUMBERS (BOTH INCLUSIVE)</u> |
|---|-----------------|---|--------------------------|---------------------|----------------------|---------------------|-------------------------------------|
| 21,000 gallon coiled and insulated tank cars | 76 | Archer Daniels Midland Company | 12/01/77 | 4 | 1/23/80 | 5 | USLX 21519-21594 |
| 4,780 c.f. 100-ton covered hopper cars | 10 | Farmers Co-Op Grain & Supply Co. | 6/20/79 | 1 | 6/20/79 | 5 | USLX 26380-26389 |
| 21,000 gallon exterior coiled and insulated tank cars | 5 | Georgia Pacific Corporation | 9/12/77 | 8 | 3/04/80 | 5 | USLX 21616-21620 |
| 4,780 c.f. 100-ton covered hopper cars | 350 | Oklahoma, Kansas and Texas Railroad Company | 8/28/80 | 1 | 8/28/80 | 5 | OKKT 3000-3349 |
| 50'6" 70-ton XL boxcars | 15 | Pacific Coast Transportation | 8/20/80 | 1 | 8/20/80 | 15 | NOKL 2135-2149 |
| 52'6" 70-ton XP boxcars | 50 | Pacific Coast Transportation | 3/27/79 | 4 | 10/17/80 | 15 | NOKL 2150-2199 |
| 23,500 gallon exterior coiled and insulated tank cars | 5 | Union Oil Company of California | 2/12/79 | 1 | 2/12/79 | 5 | USLX 21125-21129 |
| 50'6" 70-ton XM boxcars | 77 | Virginia Central Railway | 11/04/80 | 1 | 11/04/80 | 15 | VC 1800-1876 |
| | 588 | | | | | | |

*All Cars manufactured by ETC other than USLX 26380 through and including 26389 which were manufactured by Trinity Industries, Inc.

Interstate Commerce Commission
Washington, D.C. 20423

6/26/81

OFFICE OF THE SECRETARY

Mr. I. Walter Deitch
Rosenthal and Schanfield
55 East Monroe St., Suite 4620
Chicago, Illinois 60603

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **6/26/81** at **1:10pm**, and assigned re-
recording number(s). **13165**

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)

13165
RECORDATION NO. Filed 1425

JUN 26 1981 - 1 10 PM

INTERSTATE COMMERCE COMMISSION

[CS&M Ref: 1696-040]

EVANS RAILCAR LEASING COMPANY
EQUIPMENT TRUST

Series 23

EQUIPMENT TRUST AGREEMENT

by and among

GIRARD BANK, Trustee

EVANS RAILCAR LEASING COMPANY

and

EVANS TRANSPORTATION COMPANY

Dated as of June 15, 1981

EQUIPMENT TRUST AGREEMENT dated as of June 15, 1981, by and among GIRARD BANK, a banking corporation organized under the laws of the Commonwealth of Pennsylvania, (hereinafter called the Trustee), EVANS RAILCAR LEASING COMPANY, an Illinois corporation (hereinafter called the Company), and EVANS TRANSPORTATION COMPANY, an Illinois corporation (hereinafter called ETC).

WHEREAS the Company has agreed to cause to be sold, transferred and delivered to the Trustee the railroad equipment described herein; and

WHEREAS title to such railroad equipment is to be vested in and is to be retained by the Trustee and such railroad equipment is to be leased to the Company hereunder; and

WHEREAS Evans Railcar Leasing Company 14-7/8% Equipment Trust Certificates, Series 23 (hereinafter called the Trust Certificates), are to be issued and sold in an aggregate principal amount not exceeding \$20,000,000, and the proceeds of such sale are to be deposited in trust with the Trustee and are to constitute a fund to be known as EVANS RAILCAR LEASING COMPANY EQUIPMENT TRUST, Series 23, to be applied by the Trustee as provided herein; and

WHEREAS the Company has agreed to give and assign to the Trustee, as security for the obligations of the Company hereunder, a security interest in all of the Company's right, title and interest in and to the leases described in Schedule A hereto and any and all leases hereinafter entered into with respect to the Trust Equipment, including all rents, moneys and proceeds due or to become due under such leases; and

WHEREAS in addition to the guaranty of the Trust Certificates by the Company hereinafter referred to, ETC, which is the owner of all the outstanding stock of the Company, is entering into this Agreement and endorsing its joint and several guaranty on the Trust Certificates as an inducement to the purchase of the Trust Certificates by the purchaser thereof; and

WHEREAS the text of the Trust Certificates and the guaranty to be endorsed on the Trust Certificates by the Company and ETC are to be substantially in the following forms, respectively:

[FORM OF TRUST CERTIFICATES]

\$

No.

EVANS RAILCAR LEASING COMPANY
14-7/8% EQUIPMENT TRUST CERTIFICATES
Series 23
due June 30, 1996

Total Authorized Issue \$20,000,000

GIRARD BANK,
Trustee

Girard Bank, Trustee (hereinafter called the Trustee), under an Equipment Trust Agreement (hereinafter called the Agreement) dated as of June 15, 1981, by and among the Trustee, Evans Railcar Leasing Company, an Illinois corporation (hereinafter called the Company), and Evans Transportation Company, an Illinois corporation, certifies that

to an interest of or registered assigns is entitled

Dollars in Evans Railcar Leasing Company Equipment Trust, Series 23, due and payable on or before June 30, 1996, in instalments as hereinafter provided, and to interest on the amount of unpaid principal from time to time due and owing pursuant to this Certificate, due and payable semiannually on June 30 and December 31 in each year, commencing December 31, 1981, to and including June 30, 1996, at the rate of 14-7/8% per annum from the date hereof until such principal amount becomes due and payable, with interest on any overdue principal and interest, to the extent legally enforceable, at the rate of 15-7/8% per annum. Payments of principal and interest shall be made by the Trustee to the registered holder hereof at the Corporate Trust Office of the Trustee at Girard Plaza, Philadelphia, Pennsylvania 19101 (hereinafter called the Corporate Trust Office), in such coin or currency of the United States of America as, at the time of payment,

shall be legal tender for the payment of public and private debts. Each of such payments shall be made only from and out of rentals or other moneys received by the Trustee and applicable to such payment under the provisions of the Agreement. The principal amount of this Trust Certificate is due and payable in 12 equal consecutive annual instalments of \$ on June 30 in each year commencing June 30, 1984, and ending June 30, 1995, both inclusive, and an instalment of \$ on June 30, 1996, except to the extent payments are applied as provided in the Agreement to the prepayment of instalments. Except as otherwise provided in the Agreement, this Certificate may not be prepaid without the prior consent of the holder. Interest shall be computed hereunder on the basis of a 360-day year of twelve 30-day months.

This Certificate is one of an authorized issue of Trust Certificates, in an aggregate principal amount not exceeding \$20,000,000 and issued or to be issued under the Agreement, under which certain railroad equipment leased to the Company (or cash or obligations defined in the Agreement as "Investments" in lieu thereof, as provided in the Agreement) is held by the Trustee in trust for the equal and ratable benefit of the holders of the outstanding Trust Certificates issued thereunder. Reference is made to the Agreement (a copy of which is on file with the Trustee at the Corporate Trust Office) for a more complete statement of the terms and provisions thereof, including the rights, obligations and limitations of liabilities of the parties thereto, to all of which the registered holder hereof, by accepting this Certificate, assents. The Trust Certificates are initially issuable as fully registered Trust Certificates in denominations equal to or greater than \$50,000 or, with the consent of the Company, in any denomination less than \$50,000. The several denominations of Trust Certificates are interchangeable upon presentation thereof for such purpose at the Corporate Trust Office, but only in the manner, subject to the limitations, and upon payment of the charges as provided in the Agreement.

The transfer of this Certificate is registrable in whole or in part by the registered holder hereof in person or by duly authorized attorney on the books of the Trustee upon surrender to the Trustee at the Corporate Trust Office of this Certificate accompanied by a written instrument of transfer, duly executed by the registered holder in person or by such attorney, in form satisfactory to the Trustee, and thereupon a new Trust Certificate or Certificates for the

then unpaid aggregate principal amount hereof will be issued to the transferee in exchange herefor and, if less than the then entire unpaid principal amount hereof is transferred, a balance piece therefor will be issued to the transferor. Prior to due presentment for registration of transfer, the Trustee and the Company may deem and treat the person in whose name this Certificate is registered as the absolute owner hereof for the purpose of receiving payment of principal and interest and for all other purposes and shall not be affected by any notice to the contrary.

In case of the happening of an Event of Default (as defined in the Agreement) all instalments of principal (and interest accrued thereon) represented by this Certificate may become or be declared due and payable in the manner and with the effect provided in the Agreement.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be signed by one of its Vice Presidents, by his signature or a facsimile thereof, and its corporate seal or a facsimile thereof to be hereunto affixed or hereon imprinted and to be attested by one of its Trust Officers by his signature.

Dated as of

GIRARD BANK, Trustee

by

[Seal]

Vice President

Attest:

Trust Officer

GUARANTY

Evans Railcar Leasing Company and Evans Transportation Company, each for a valuable consideration, hereby jointly and severally unconditionally guarantee to the registered holder of the within Certificate the prompt payment when due of the principal of said Certificate, and of the interest thereon specified in said Certificate, with interest on any overdue principal and interest, to the extent legally enforceable, at the rate of 15-7/8% per annum, all in accordance with the terms of said Certificate and the Equipment Trust Agreement referred to therein.

EVANS RAILCAR LEASING COMPANY,

by

Vice President

EVANS TRANSPORTATION COMPANY,

by

Vice President

NOTATION OF PREPAYMENTS*

By reason of payments having heretofore been applied to prepay instalments as provided in the Agreement, the within Certificate in the principal amount of \$ _____ was, as of _____, 19 _____, payable in _____ equal consecutive annual instalments of \$ _____ on June 30 of each of the years 19 _____ through 19 _____, commencing _____, 19 _____ and payable by a final instalment of \$ _____ on _____, 19 _____.

GIRARD BANK, Trustee

Authorized Officer

* To be included only on Certificates issued upon exchange or transfer.

WHEREAS it is desired to secure to the holders of the Trust Certificates the payment of the principal thereof, as hereinafter more particularly provided, with interest thereon, as hereinafter provided, payable semi-annually in each year, and to evidence the rights of the holders of the Trust Certificates in substantially the form hereinbefore set forth:

NOW THEREFORE, in consideration of the mutual covenants and promises herein contained, the parties hereto hereby agree as follows:

ARTICLE ONE

DEFINITIONS

SECTION 1.01. Definitions. The following terms (except as otherwise expressly provided or unless the context otherwise requires) for all purposes of this Agreement shall have the respective meanings hereinafter specified:

AAR Value shall, in respect of any unit of Equipment, mean the value of such unit as determined in accordance with the Interchange Rules adopted by the Association of American Railroads, Mechanical Division, Operations and Maintenance Department in effect on the date the AAR Value is to be determined or if there are no such applicable Rules then in effect, in accordance with generally accepted accounting principles.

Affiliate of any corporation shall mean any corporation which, directly or indirectly, controls or is controlled by, or is under common control with, such corporation. For the purposes of this definition, control (including controlled by and under control with), as used with respect to any corporation, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such corporation, whether through the ownership of voting securities or by contract or otherwise.

Company shall mean Evans Railcar Leasing Company and any successor or successors to it complying with the provisions of Section 4.09 or 6.05.

Corporate Trust Office shall mean the principal office of the Trustee in the State of Pennsylvania, City of Philadelphia, at which the corporate trust business of the Trustee shall, at the time in question, be administered, which office is, on the date of execution of this Agreement, located at Girard Plaza, Philadelphia, Pennsylvania 19101.

Cost, when used with respect to Equipment not built by the Company or any Affiliate of the Company, shall mean the actual cost thereof to the Company or such Affiliate, and, in respect of Equipment built by the Company or any such Affiliate, shall mean so-called "car builder's cost", including direct cost of labor and material and overhead, but excluding any manufacturing profit.

Deposited Cash shall mean the aggregate of (a) the proceeds from the sale of the Trust Certificates deposited with the Trustee pursuant to Section 2.01 hereof and, when required or indicated by the context, any Investments purchased by the use of such proceeds pursuant to the provisions of Section 8.04, and (b) any sums restored to Deposited Cash from rentals pursuant to Section 4.04(B)(1)(b) and on deposit with the Trustee.

Equipment shall mean standard-gauge general purpose rolling stock (excluding passenger or work equipment), including that listed in Schedule A hereto, built not earlier than January 1, 1980, and having an estimated useful life beyond June 30, 1996.

ETC shall mean Evans Transportation Company and any successor or successors to it complying with the provisions of Section 6.05.

Event of Default shall mean any event specified in Section 5.01 to be an Event of Default.

The word holder, when used with respect to any Trust Certificate, shall include the plural as well as the singular number and shall mean the person in whose name such Trust Certificate is registered.

Investments shall mean (i) certificates of deposit of commercial banks incorporated under the laws of

the United States of America or any State thereof having a capital and surplus aggregating not less than \$100,000,000, (ii) open market commercial paper rated "Prime-1" by the NCO/Moody's Commercial Paper Division of Moody's Investors Service, Inc., or rated "A-1" by Standard & Poor's Corporation (or a comparable rating by any successor to either of their businesses) and (iii) bonds, notes or other direct obligations of the United States of America or obligations of any agency thereof or any other person, for which the full faith and credit of the United States are pledged to provide for the payment of the interest and principal, in each case maturing within one year after the date of investment therein.

Officer's Certificate shall mean a certificate signed by the President or a Vice President of the Company.

Opinion of Counsel shall mean an opinion in writing signed by legal counsel satisfactory to the Trustee and who may be counsel for the Company. The acceptance by the Trustee of, together with its action on, an Opinion of Counsel shall be sufficient evidence that such counsel is satisfactory to the Trustee.

Original Purchaser shall mean The Prudential Insurance Company of America.

Owner shall mean the manufacturer, the Company, ETC or any other person transferring title to any of the Equipment to the Trustee.

Purchase Agreement shall mean the Purchase Agreement dated as of June 15, 1981, among the Company, ETC and the Original Purchaser.

Request shall mean a written request for the action therein specified, delivered to the Trustee, dated not more than 10 days prior to the date of delivery to the Trustee and signed on behalf of the Company by the President or a Vice President of the Company.

Trust Certificates shall mean Evans Railcar Leasing Company 14-7/8% Equipment Trust Certificates, Series 23, together with the guaranty of the Company and ETC endorsed thereon, issued hereunder.

Trust Equipment shall mean all Equipment at any time subject to the terms of this Agreement.

Trustee shall mean Girard Bank and, subject to the provisions of Article Eight, any successor as trustee hereunder.

Written Direction shall mean a direction or statement in writing by the Original Purchaser, signed by a Vice President of the Original Purchaser, and addressed to the Trustee with a copy to the Company. Any provision of this Agreement requiring or authorizing a Written Direction prior to the taking of any action by the Trustee or the Company shall not be applicable if, at the time thereof, the Original Purchaser is not a holder of at least 33-1/3% of the aggregate outstanding principal amount of the Trust Certificates. In that event, such action may be taken by the Trustee or the Company, as the case may be, without reference to the requirement of such Written Direction, and no other direction or authorization shall be required from any other holder of Trust Certificates unless otherwise specifically required pursuant to this Agreement.

The words herein, hereof, hereby, hereto, hereunder and words of similar import refer to this Agreement as a whole and not to any particular Article, Section, paragraph or subdivision hereof.

ARTICLE TWO

TRUST CERTIFICATES AND ISSUANCE THEREOF

SECTION 2.01. Issuance of Trust Certificates. An amount equal to the proceeds of the sale of any of the Trust Certificates, but not less than the aggregate principal amount thereof, shall, forthwith upon the issuance thereof, be deposited in cash with the Trustee by or on behalf of the Company. The amount of such proceeds shall be specified in an Officer's Certificate delivered to the Trustee concurrently with such deposit.

Thereupon, without waiting for the recording or filing of this Agreement or of any other instrument respecting the Trust Equipment, the Trustee shall from time to time issue and deliver Trust Certificates in such aggregate principal amount as the Company shall direct by Request.

Subject to the provisions of Section 2.06 of this Agreement, the aggregate principal amount of Trust Certificates which shall be executed and delivered by the Trustee under this Section shall not exceed the sum of \$20,000,000, and the aggregate principal amount represented by all the Trust Certificates shall be payable as hereinafter set forth.

SECTION 2.02. Interests Represented by Trust Certificates; Interest; Maturity. Each of the Trust Certificates shall represent an interest in the amount therein specified in the trust created hereunder. The aggregate principal amount of the Trust Certificates will be payable in 12 equal consecutive annual instalments of \$1,538,461 on June 30 in each year commencing June 30, 1984, and ending June 30, 1995, both inclusive, and an instalment of \$1,538,468 on June 30, 1996. Each of the Trust Certificates will bear interest on the unpaid principal amount thereof, payable on June 30 and December 31 in each year, commencing December 31, 1981, to and including June 30, 1996, at the rate of 14-7/8% per annum, with interest payable on any overdue principal and interest, to the extent legally enforceable, at the rate of 15-7/8% per annum. Interest on Trust Certificates shall be calculated on the basis of a 360-day year of twelve 30-day months. The Trust Certificates are issuable in any denomination equal to or greater than \$50,000 or, with the consent of the Company, in any denomination less than \$50,000.

The principal of and interest on the Trust Certificates shall be payable at the Corporate Trust Office in such coin or currency of the United States of America as, at the time of payment, shall be legal tender for the payment of public and private debts, but only from and out of rentals or other moneys received by the Trustee and applicable to such payment under the provisions hereof. Notwithstanding the provisions of the preceding sentence of this paragraph, in the case of payments of principal and interest to be made on a Trust Certificate not then to be paid in full, upon request and deposit of an agreement of the holder of such Trust Certificate (the responsibility of such holder to be satisfactory to the Company) obligating such holder, prior to any transfer or other disposition thereof, to surrender the same to the Trustee for notation thereon of the instalments of the principal amount represented thereby theretofore paid in whole or in part, the Trustee will mail its check on the date each such payment is due to

such registered holder at his address shown on the registry books maintained by the Trustee; provided, however, that this paragraph shall not apply to the Original Purchaser of the Trust Certificates, and the Company may direct the Trustee by Request to make payments of principal and interest to the Original Purchaser of the Trust Certificates or to any other purchaser approved by the Company by check or wire transfer of immediately available Federal funds (to the extent the Company makes such funds available to the Trustee) at such purchaser's "home office" address which address shall be supplied to the Trustee by the Company.

SECTION 2.03. Forms of Trust Certificates and Guaranty. The Trust Certificates and the guaranty to be endorsed on the Trust Certificates by the Company and ETC as provided in Section 6.01 shall be in substantially the forms hereinbefore set forth.

SECTION 2.04. Execution by Trustee. The Trust Certificates shall be signed in the name and on behalf of the Trustee by the manual or facsimile signature of one of its Vice Presidents and its corporate seal or a facsimile thereof shall be affixed or imprinted thereon and attested by the manual signature of one of its Trust Officers. In case any officer of the Trustee whose signature, whether facsimile or not, shall appear on any of the Trust Certificates shall cease to be such officer of the Trustee before the Trust Certificates shall have been issued and delivered by the Trustee or shall not have been acting in such capacity on the date of the Trust Certificates, such Trust Certificates may be adopted by the Trustee and be issued and delivered as though such person had not ceased to be or had then been such officer of the Trustee.

SECTION 2.05. Characteristics of Trust Certificates.

(a) The Trust Certificates shall be registered, as to both principal and interest, in the name of the holder; shall be transferable in whole or in part and exchangeable for Trust Certificates of other denominations of equal aggregate outstanding principal amount and of the same maturity, upon presentation and surrender thereof for registration of transfer or exchange at the Corporate Trust Office, accompanied, in the case of

transfer, by appropriate instruments of assignment and transfer, duly executed by the registered holder of the surrendered Trust Certificate or Certificates or by duly authorized attorney, in form satisfactory to the Trustee; shall, in connection with the initial issuance of Trust Certificates, be dated as of the date of issue and shall, in connection with Trust Certificates issued in exchange for or upon registration of transfer of another Trust Certificate or Certificates, be dated as of the date to which interest has been paid or shall, if no interest has been paid thereon, be dated as of the date of initial issuance; and shall entitle the registered holder to interest from the date thereof. The Trustee shall, if any prepayment shall theretofore have been made pursuant to Section 4.08 or 4.09, endorse on each Trust Certificate issued upon registration of transfer or exchange a notation thereon as to the fact that the instalments of principal thereon will be payable in instalments as set forth in such notation. The several denominations of Trust Certificates shall be interchangeable in authorized denominations at the Corporate Trust Office.

(b) Anything contained herein to the contrary notwithstanding, prior to due presentment for registration of transfer, the parties hereto may deem and treat the registered holder of any Trust Certificate as the absolute owner of such Trust Certificate for all purposes and shall not be affected by any notice to the contrary.

(c) The Trustee shall cause to be kept at the Corporate Trust Office books for the registration and registration of transfer of the Trust Certificates and, upon presentation of the Trust Certificates for such purpose, the Trustee shall register any transfer as hereinabove provided, and under such reasonable regulations as it may prescribe.

(d) For any registration, registration of transfer or exchange, the Trustee shall require payment by the person requesting same of a sum sufficient to reimburse it for any governmental charge connected therewith.

(e) Each Trust Certificate delivered pursuant to any provision of this Agreement in exchange for, or upon the registration of transfer of the whole or any

part, as the case may be, of one or more other Trust Certificates shall carry all the rights to principal and to interest accrued and unpaid and to accrue, which were carried by the whole or such part, as the case may be, of such one or more other Trust Certificates, and, notwithstanding anything contained in this Agreement, such Trust Certificate shall be so dated that neither gain nor loss in interest or principal shall result from such exchange, substitution or registration of transfer.

(f) The Trustee shall not be required to issue, transfer or exchange Trust Certificates for a period of 10 days next preceding any interest payment date.

SECTION 2.06. Replacement of Lost Trust Certificates. In case any Trust Certificate shall become mutilated or defaced or be lost, destroyed or stolen, then on the terms herein set forth, and not otherwise, the Trustee shall execute and deliver a new Trust Certificate of like tenor and date, and bearing such identifying number or designation as the Trustee may determine, in exchange and substitution for, and upon cancelation of, the mutilated or defaced Trust Certificate, or in lieu of and in substitution for the same if lost, destroyed or stolen. The Company and ETC shall execute their guaranty on any Trust Certificate so delivered. The applicant for a new Trust Certificate pursuant to this Section shall furnish to the Trustee and to the Company and ETC evidence to their satisfaction of the loss, destruction or theft of such Trust Certificate alleged to have been lost, destroyed or stolen and of the ownership and authenticity of such mutilated, defaced, lost, destroyed or stolen Certificate, and also shall furnish such security or indemnity as may be required by the Trustee and by the Company and ETC in their discretion (a letter of indemnification from the Original Purchaser to be deemed to be sufficient security or indemnity), and shall pay all expenses and charges of such substitution or exchange. All Trust Certificates are held and owned upon the express condition that the foregoing provisions are exclusive in respect of the replacement of mutilated, defaced, lost, destroyed or stolen Trust Certificates and shall preclude any and all other rights and remedies, any law or statute now existing or hereafter enacted to the contrary notwithstanding.

ARTICLE THREE

ACQUISITION OF TRUST EQUIPMENT BY TRUSTEE; DEPOSITED CASH

SECTION 3.01.. Acquisition of Equipment by Trustee. The Company, as speedily as may be, shall cause to be sold to the Trustee, as trustee for the holders of the Trust Certificates, all of the Equipment described in Schedule A hereto, all of which the Company represents and warrants is Equipment as herein defined.

In the event that (a) the Company shall deem it necessary or desirable to procure for the use of the Company, and to include in the trust hereby created, other Equipment in lieu of any units of the Equipment specifically described in Schedule A hereto prior to the acceptance of such Equipment by the Trustee, (b) any unit of the Equipment (hereinafter in this paragraph called the Casualty Equipment) described in Schedule A hereto shall suffer a Casualty Occurrence, as defined in Section 4.08, before being accepted by the Trustee pursuant to this Section and Section 3.04, or (c) it is necessary to include in the trust hereby created additional Equipment in order to utilize all of the Deposited Cash, the Company may cause to be sold to the Trustee such other Equipment to be substituted or added, as the case may be under the trust subject to the provisions of Section 4.06.

SECTION 3.02. Payment of Deposited Cash. From time to time, when and as any Equipment shall have been accepted by the Trustee pursuant to Sections 3.01 and 3.04(a), the Trustee shall (subject to the provisions of Section 3.03) pay, upon Request, to the Owner of the accepted Equipment out of Deposited Cash then held by the Trustee an amount not exceeding (a) 85% of the aggregate Cost of such Equipment, as such Cost is specified in the Officer's Certificate furnished to the Trustee pursuant to Section 3.04(b) if the builder of the Equipment is the Company or an Affiliate of the Company, or (b) 80% of the aggregate Cost of such Equipment, as such Cost is specified in the Officer's Certificate furnished to the Trustee pursuant to Section 3.04(b), if the builder of the Equipment is not the Company or an Affiliate of the Company.

SECTION 3.03. Payment of Deficiency. The Company covenants that, contemporaneously with any payment by the Trustee pursuant to Section 3.02, if the Owner of

the Equipment accepted by the Trustee shall not be the Company, it will either (a) pay to the Trustee the advance rental provided in Section 4.04(A), and thereupon the Trustee shall, upon Request, pay to the Owner of such Equipment, by the use of such advance rental, the portion of the aggregate Cost of such Equipment not paid out of Deposited Cash as provided for in Section 3.02 or (b) deliver to the Trustee an executed counterpart of a receipt from such Owner evidencing the direct payment by the Company to such Owner of that portion of the Cost of such Equipment equal to the amount of advance rental required to be paid to the Trustee pursuant to clause (a) of this sentence in respect of such Equipment. The intention of this Section is that the Company shall ultimately pay or absorb not less than 15% of the aggregate Cost of all the Equipment built by the Company or an Affiliate of the Company and not less than 20% of the aggregate Cost of all the Equipment not built by the Company or an Affiliate of the Company which is accepted by the Trustee as Trust Equipment pursuant to this Article Three, and the Trustee and the Company shall at any time, as the occasion arises, adjust their accounts and payments to the end that the Trustee shall pay with Deposited Cash not more than 85% of the aggregate Cost of the Trust Equipment built by the Company or an Affiliate of the Company and not more than 80% of the aggregate Cost of the Trust Equipment not built by the Company or an Affiliate of the Company and the Company shall pay or absorb the remainder, to be not less than 15% of such Cost in the case of Trust Equipment built by the Company or an Affiliate of the Company and not less than 20% of such Cost in the case of Trust Equipment not built by the Company or an Affiliate of the Company.

SECTION 3.04. Supporting Papers. The Trustee shall not pay out any Deposited Cash for the purchase of any unit of Equipment unless and until it shall have received:

(a) a bill of sale covering such unit of Equipment from the Owner to the Trustee, which bill of sale shall specify such unit of Equipment described therein by number or numbers and shall contain a warranty or guaranty to the Trustee that the security title of such unit of Equipment described therein is free from all claims, liens, security interests and other encumbrances (except as permitted by Section 6.02 and except for this Agreement, the rights of the Company under this Agreement and any lease permitted by Section 4.09 hereof) and the receipt of such bill of sale by the Trustee shall

constitute acceptance by the Trustee hereunder of such unit of Equipment as Trust Equipment;

(b) an Officer's Certificate, which shall state (i) that such unit of Equipment is Equipment as herein defined (and whether or not it was built by the Company or an Affiliate of the Company), has been marked in accordance with Section 4.07 and identifying the builder thereof, (ii) that the Cost of such unit of Equipment is an amount therein specified or is not less than an amount therein specified, and (iii) that such unit of Equipment is subject to one of the leases described in Schedule A hereto or to a lease approved in a Written Direction.

(c) an invoice from the Owner of such unit of Equipment having endorsed thereon a certification by the Company as to the correctness of the price stated therein;

(d) an Opinion of Counsel for the Owner to the effect that (i) such bill of sale is valid and effective, either alone or in connection with any other instrument referred to in and accompanying such opinion, to vest in the Trustee title to such unit of Equipment free from all claims, liens, security interests and other encumbrances (except as permitted by Section 6.02 and except for this Agreement, the rights of the Company under this Agreement and any lease permitted by Section 4.09) and (ii) in the case of Trust Equipment not specifically described herein, a proper supplement hereto in respect of such Trust Equipment has been duly executed by the Trustee, the Company and ETC and filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303; and

(e) an opinion of Messrs. Rosenthal and Schanfield, counsel for the Company, or an opinion of other counsel satisfactory to the Trustee, to the effect that (i) this Agreement has been duly authorized, executed and delivered by the Company and ETC and, assuming the due authorization, execution and delivery thereof by the Trustee, constitutes, insofar as they are concerned, a legal, valid and binding obligation enforceable in accordance with its terms (except as may be limited by any bankruptcy, insol-

vency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally from time to time in effect and by applicable principles of equity if equitable remedies are sought); (ii) the Trustee is vested with all the right, title and interest of the Company in and to all leases then in effect and covering the Trust Equipment; (iii) this Agreement has been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303; and (iv) no further filing, recordation or deposit is necessary (or will be necessary in the future, except as stated in such opinion) for the protection of the rights of the Trustee in and to such unit of Equipment or this Agreement in any state of the United States of America or the District of Columbia.

Any Officer's Certificate delivered pursuant to this Section 3.04 may state that the Cost of the Equipment therein referred to is tentatively determined, subject to final adjustment to be evidenced in a final Officer's Certificate to be delivered as promptly as practicable to the Trustee.

If the aggregate Cost, as specified in the certificates theretofore delivered to the Trustee pursuant to this Section, of the Trust Equipment accepted by the Trustee pursuant to this Article Three shall be less than the amount necessary to utilize the Deposited Cash in full, the Company will cause to be assigned and transferred to the Trustee additional Equipment in such amount and of such Cost that the aggregate Cost of the Trust Equipment will be at least sufficient to utilize the Deposited Cash in full, and will concurrently deliver to the Trustee the documents specified in paragraphs (a) through (e) of this Section with respect to such additional Equipment.

ARTICLE FOUR

LEASE OF TRUST EQUIPMENT TO THE COMPANY

SECTION 4.01. Lease of Trust Equipment. The Trustee does hereby let and lease to the Company all of the Trust Equipment for a period commencing with the date on which the Trust Certificates are issued and terminating June 30, 1996.

SECTION 4.02. Equipment Automatically Subjected. As and when any Equipment shall from time to time be accepted hereunder by the Trustee, the same shall, ipso facto and without further instrument of lease or transfer, become subject to all the terms and provisions hereof.

SECTION 4.03. Additional and Substituted Equipment Subject Hereto. In the event that the Company shall, as provided in Sections 3.01, 3.04 or 4.06, elect to sell or transfer to the Trustee other Equipment in addition to or in substitution for any of the Equipment herein specifically described or subjected hereto, such other Equipment shall be included as part of the Trust Equipment by a supplement hereto to be executed by the Trustee, the Company and ETC and to be filed with the Interstate Commerce Commission pursuant to the requirements of 49 U.S.C. § 11303. Such Equipment shall be subject to all the terms and conditions hereof in all respects as though it had originally been part of the Equipment herein specifically described.

SECTION 4.04. Rental Payments. The Company hereby accepts the lease of all the Trust Equipment; and the Company covenants and agrees to pay to the Trustee at the Corporate Trust Office (or, in the case of taxes, to the proper taxing authority), in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, rental hereunder which shall be sufficient to pay and discharge the following items, when and as the same shall become due and payable (whether or not any of such items shall become due and payable prior to the acceptance of and lease to the Company of any unit of the Trust Equipment):

(A) The Company shall pay to the Trustee, as hereinafter provided, as advance rental hereunder, sums which in the aggregate shall be equal to the difference between the aggregate Cost of the Trust Equipment (other than Trust Equipment subjected hereto pursuant to Section 4.06) and the portion of such Cost to be provided out of Deposited Cash as provided for in Section 3.02 but only to the extent that such sums are required to be paid by the Company pursuant to Section 3.03 hereof.

(B) In addition to such advance rental the Company shall pay to the Trustee, as hereinafter provided, as rental for the Trust Equipment (not-

withstanding that any of the Trust Certificates shall have been acquired by the Company or any Affiliate of the Company or shall not have been presented for payment), the following:

(1) (a) the necessary and reasonable expenses of the trust hereby created, including compensation and expenses provided for herein, and (b) an amount equal to any expenses incurred or loss of principal (including interest accrued thereupon at the time of purchase) in connection with any purchase, sale or redemption by the Trustee of Investments;

(2) any and all taxes, assessments and governmental charges upon or on account of the income or property of the trust, or upon or on account of this Agreement, which the Trustee as such may be required to pay;

(3) (a) the amounts of the interest payable on the Trust Certificates, when and as the same shall become payable, and (b) interest at the rate of 15-7/8% per annum from the due date, upon the amount of any instalments of rental payable under this and the following subparagraph which shall not be paid when due, to the extent legally enforceable; and

(4) the instalments of the principal of the Trust Certificates, when and as the same shall become payable, whether upon the date of maturity thereof, by prepayment or by declaration or otherwise.

Notwithstanding any grace period provided herein, if any holder of Trust Certificates does not receive payment of interest or principal on the date or dates stated for payment thereof in such Trust Certificates, interest at the rate of 15-7/8% per annum will accrue on the Trust Certificates in respect of such payments for each day such payment is not so made.

Nothing contained herein or in the Trust Certificates shall be deemed to impose on the Trustee or on the Company (except as provided in Section 4.04(B)(2)) any obligation to pay to the registered holder of any Trust

Certificate any tax, assessment or governmental charge required by any present or future law of the United States of America, or of any state, county, municipality or other taxing authority thereof, to be paid in behalf of, or withheld from the amount payable to, the holder of any Trust Certificate.

The Company shall not be required to pay any tax, assessment or governmental charge so long as it shall in good faith and by appropriate legal proceedings contest the validity thereof; provided, however, that, in the judgment of the Trustee and as set forth in an Opinion of Counsel which shall have been furnished to the Trustee, the rights or interests of the Trustee or of the holders of the Trust Certificates will not be materially and adversely affected thereby.

SECTION 4.05. Termination of Trust and Lease.

After all payments due or to become due from the Company hereunder shall have been completed and fully made to the Trustee (1) such payments shall be deemed to represent payment of the full purchase price for the Company's purchase at such time of the Trust Equipment from the Trustee, (2) any moneys remaining in the hands of the Trustee after providing for all outstanding Trust Certificates and after paying the expenses of the Trustee, including its reasonable compensation, shall be paid to the Company, (3) title to all the Trust Equipment shall vest in the Company and (4) the Trustee shall execute for recordation in public offices, at the expense of the Company, such instrument or instruments in writing as reasonably shall be requested by the Company in order to make clear upon public records the Company's title to all the Trust Equipment under the laws of any jurisdiction; provided, however, that until that time, title to the Trust Equipment shall not pass to or vest in the Company, but title to and ownership of all the Trust Equipment as provided in this Agreement shall be and remain in the Trustee, notwithstanding the delivery of the Trust Equipment to and the possession and use thereof by the Company pursuant to the terms of this Agreement.

SECTION 4.06. Substitution and Replacement of Trust Equipment. Upon Request, and receipt of a Written Direction when the total number of units for which substitutions have taken place pursuant to this Section 4.06 exceeds 25% of the total number of units of Equipment

conveyed to the Trustee pursuant to Section 3.01, the Trustee shall, at any time and from time to time, execute and deliver a bill of sale assigning and transferring to the transferee named by the Company all the right, title and interest of the Trustee in and to any or all of the units of Trust Equipment; provided, however, that (a) there shall be paid to the Trustee cash in an amount not less than the value, as of the date of such Request, of the units of Trust Equipment to be assigned or transferred by the Trustee or (b) there shall be conveyed to the Trustee at the time of assignment or transfer of any units of Trust Equipment, other units of Equipment of a value not less than the value, as of the date of such Request, of the units of Trust Equipment to be assigned or transferred; and provided further, however, that no such assignment or transfer shall be made if an Event of Default or event which with the giving of notice or lapse of time or both would constitute an Event of Default is then in effect.

At the time of delivery of any Request pursuant to the first paragraph of this Section, the Company shall, if other Equipment is to be conveyed to the Trustee in substitution for the Trust Equipment to be assigned or transferred by the Trustee, deliver to the Trustee the following papers:

(1) an Officer's Certificate stating (i) the value, as of the date of such Request, of the Trust Equipment so to be assigned or transferred by the Trustee, (ii) the value, as of the date of such Request, of such substituted Equipment, (iii) that each such unit so to be substituted is Equipment as herein defined, (iv) that each such unit so to be substituted has been marked as provided in Section 4.07 hereof, and (v) that no Event of Default or event which with the giving of notice or lapse of time or both would constitute an Event of Default hereunder has occurred or is continuing;

(2) a certificate, an invoice or invoices and a bill or bills of sale in respect of such substi-

tuted Equipment as provided for in subparagraphs (a) and (c) of the first paragraph of Section 3.04 (acceptance of such bill or bills of sale by the Trustee to constitute acceptance by the Trustee hereunder of such Equipment); and

(3) an Opinion of Counsel to the effect that (i) such bill or bills of sale are valid and effective, either alone or together with any other instruments referred to in and accompanying such opinion, to vest in the Trustee title to such substituted Equipment as provided in this Agreement free from all claims, liens, security interests and other encumbrances (except as permitted by Section 6.02 and except for this Agreement, the rights of the Company hereunder and any lease permitted by Section 4.09) and (ii) a proper supplement hereto in respect of each substituted unit of Equipment has been duly authorized, executed and delivered by the parties hereto and has been filed with the Interstate Commerce Commission pursuant to the requirements of 49 U.S.C. § 11303.

At the time of delivery of any Request pursuant to the first paragraph of this Section, the Company shall, if cash is to be paid to the Trustee in respect of the Trust Equipment to be assigned or transferred by the Trustee, deliver to the Trustee an Officer's Certificate to the effect set forth in clauses (i) and (v) of subparagraph (1) of the next preceding paragraph.

Cash deposited with the Trustee pursuant to this Section 4.06 or Section 4.08 (subject however to the proviso to the last sentence of the first paragraph of Section 4.08) may, from time to time, be paid over by the Trustee to the Company upon Request against conveyance to the Trustee of units of Equipment having a value, as of the date of such Request, not less than the amount of cash so paid and upon delivery to the Trustee of papers corresponding to those set forth in the second paragraph of this Section 4.06 with such appropriate modifications as may be approved by the Trustee.

For all purposes of this Section 4.06 where value is required to be determined in an Officer's Certificate or in connection with a Request, the value of any unit of Trust Equipment assigned or transferred by or conveyed to the Trustee as provided in this Section shall

be deemed to be the AAR Value thereof as certified to the Trustee as of the date of the Request furnished pursuant to this Section.

SECTION 4.07. Marking of Trust Equipment. The Company agrees that it will immediately at its own cost and expense cause to be marked plainly, distinctly, permanently and conspicuously on each side of each unit of the Trust Equipment, in letters not less than one inch in height the following legend:

"TITLE TO THIS CAR SUBJECT TO DOCUMENTS FILED
WITH THE INTERSTATE COMMERCE COMMISSION".

In case, prior to the termination of the lease provided for in this Article Four, any of such marks shall at any time be removed, defaced or destroyed, the Company shall cause the same to be restored or replaced. The Company shall not change, or permit to be changed, the numbers of any of the Trust Equipment at any time covered hereby (or any numbers which may have been substituted as herein provided) except in accordance with a statement of new numbers to be substituted therefor which previously shall have been filed with the Trustee and which shall be filed and recorded by the Company in like manner as this Agreement.

The Trust Equipment may be lettered in an appropriate manner for convenience of identification of the leasehold interest of the Company therein, and may also be lettered, in the case of any of the leases permitted by Section 4.09, in such manner as may be appropriate for convenience of identification of such leasehold interest therein; but the Company, during the continuance of the lease provided for herein, will not allow the name of any person, firm, association or corporation to be placed on any of the Trust Equipment as a designation which might reasonably be interpreted as a claim of ownership thereof made by or on behalf of the Company or by or on behalf of any person, firm, association or corporation other than the Trustee.

SECTION 4.08. Maintenance of Trust Equipment; Casualty Occurrences. The Company agrees that it will maintain or cause to be maintained and keep all the Trust

Equipment in good order and proper repair at no cost or expense to the Trustee, unless and until it becomes worn out, unsuitable for use, lost, destroyed or damaged beyond economical repair, or taken or requisitioned by condemnation or otherwise (herein called a Casualty Occurrence). Whenever any unit of the Trust Equipment shall suffer a Casualty Occurrence, the Company shall, within 30 days after it shall have been informed of such Casualty Occurrence, deliver to the Trustee and the Original Purchaser (if it is a holder of Trust Certificates) an Officer's Certificate describing such Trust Equipment and stating the value to the Company thereof as of the date immediately prior to the date such Trust Equipment suffered such Casualty Occurrence. Within 30 days after the Company shall have knowledge that the aggregate value of all units of the Trust Equipment having suffered a Casualty Occurrence (exclusive of units having suffered a Casualty Occurrence in respect of which a payment shall have been made to the Trustee pursuant to this Section) shall exceed \$200,000, the Company shall deposit with the Trustee an amount in cash equal to the value of such units immediately prior to the date of the Casualty Occurrence in respect of each thereof. The rights and remedies of the Trustee to enforce or to recover any of the rental payments shall not be affected by reason of such Casualty Occurrence. For all purposes of this paragraph, value shall be determined in the manner provided in the last paragraph of Section 4.06. Cash deposited with the Trustee pursuant to this Section shall be held and applied at the election of the Company made by Request either (i) as provided in the penultimate paragraph of Section 4.06 or (ii) to prepay on the June 30 next succeeding a Request to prepay instalments of principal pro rata on each Trust Certificate in the inverse order of the maturity thereof; provided, however, that if, at the time of the receipt of such Request to prepay, the Original Purchaser is the holder of at least 33-1/3% of the aggregate outstanding principal amount of the Trust Certificates, the Trustee shall give the Original Purchaser prompt written notice of any such Request and the cash so deposited with the Trustee shall be applied to prepay, on the June 30 next succeeding the receipt of such Request, instalments of principal pro rata on each Trust Certificate in the inverse order of the maturity thereof unless the Trustee has received within 30 days of receipt of such notice from the Trustee a Written Direction stating that such deposit may only be applied as provided in the penultimate paragraph of Section 4.06, in which case such deposit may only be applied as provided in such Written Direction.

The Company agrees to furnish to the Trustee, on or before April 1 in each year commencing with 1982, an Officer's Certificate dated as of the preceding December 31, (1) stating the amount, description and numbers of all Trust Equipment that may have suffered a Casualty Occurrence since the date of the last preceding statement (or the date of this Agreement in the case of the first statement), (2) identifying the units of Trust Equipment then being leased by the Company as permitted by Section 4.09 (including the name of the lessee, the term of the lease and the date of the agreement pursuant to which such Trust Equipment is leased) and specifying which units of Equipment are not then being leased by the Company, as lessor, and (3) certifying that there exists no Event of Default or event which with the giving of notice or lapse of time or both would constitute an Event of Default hereunder, or specifying all such Events of Default and events and the action being taken by the Company to remedy the same.

SECTION 4.09. Possession of Trust Equipment; Security Interest in Leases. Except as provided in this Section, the Company will not assign or transfer its rights hereunder, or transfer or lease the Trust Equipment or any part thereof or assign, pledge, transfer or otherwise dispose of any of its rights under any leases permitted hereunder, without the written consent of the Trustee first had and obtained; and the Company shall not, without such written consent, except as herein provided, part with the possession of, or suffer or allow to pass out of its possession or control, any of the Trust Equipment. An assignment or transfer to a solvent corporation organized under the laws of the United States of America or a state thereof or the District of Columbia which shall acquire all or substantially all of the property of the Company and which, by execution of an appropriate instrument satisfactory to the Trustee, shall assume and agree to perform each and all of the obligations and covenants of the Company hereunder and under its guaranty endorsed on the Trust Certificates shall not be deemed a breach of this covenant; provided, however, that any such assumption shall not (unless such release shall have been consented to by the holders of 66-2/3% in outstanding principal amount of Trust Certificates) release the Company or ETC from any of their obligations hereunder or under their guaranty endorsed on the Trust Certificates.

So long as no Event of Default shall have occurred and be continuing, the Company shall be entitled to the possession of the Trust Equipment and, subject to the provisions of the last paragraph of this Section 4.09, to maintain, modify, alter, amend, terminate or enter into leases of the Trust Equipment and to permit its use by, one or more lessees or users in the United States of America (or any state thereof or the District of Columbia) or in Canada or any province or territory thereof; provided, however, the Company shall not enter into any leases or car contracts relating to the use of Trust Equipment with any lessee or user incorporated, or having its principal place of business, in Canada or any province or territory thereof (herein called Canadian Lessees) if the aggregate value of Trust Equipment subject to leases and car contracts with Canadian Lessees would exceed 12% of the aggregate value of all the Trust Equipment; provided, further, however, that the Company may continue in effect the lease to Virginia Central Railways of 77 boxcars (as described in Schedule A) for a term of 15 years, which lease permits the Lessee to make incidental or temporary use of the boxcars in the Republic of Mexico. Upon entering into any lease or car contract with a Canadian Lessee, the Company will promptly furnish to the Trustee an Officer's Certificate to such effect which shall also include a statement of the value of Trust Equipment subject thereto. Any lease by the Company entered into pursuant to this Section 4.09 may provide (and such provision shall be binding upon the Trustee) that the lessee so long as it shall not be in default under such lease, shall be entitled to the possession of the Trust Equipment included in such lease and the use thereof, and, subject to the provisions of Section 4.07, may provide for lettering or marking upon such Trust Equipment for convenience of identification of the leasehold interest of such lessee therein. For the purposes of this paragraph, value shall be determined in the manner provided in the last paragraph of Section 4.06.

As security for the payment and performance of the obligations of the Company hereunder, the Company hereby grants, pledges and assigns unto the Trustee all of its rights, title and interest in and to any lease (including the leases referred to in Schedule A hereto) of any unit of the Trust Equipment existing as of the date hereof

or entered into in the future and all rentals, moneys and proceeds payable to or receivable by the Company with respect thereto; provided, however, that (a) so long as no Event of Default shall have occurred and be continuing the Company shall be entitled to collect and receive all such rentals, moneys and proceeds, and (b) during the continuance of any Event of Default, all such rentals, moneys and proceeds shall be paid to the Trustee and applied to the payment or prepayment of the principal of, and/or to the payment of interest due and owing on, the Trust Certificates, all as may be specified in a Written Direction or, in the absence thereof, as may be determined by the Trustee.

On or before April 1 in each year commencing with April 1, 1982, the Company shall furnish to the Trustee and the Original Purchaser (if it is a holder of Trust Certificates) an Officer's Certificate setting forth a description, comparable to that contained in Schedule A hereto, of each lease covering each unit of Trust Equipment which shall specify therein any changes in lessees since the date of the last preceding Officer's Certificate (or, in the case of the first such Officer's Certificate, any changes from Schedule A hereto). If the Company and the Trustee receive a Written Direction within 30 days after the furnishing of such Officer's Certificate, that any such change in lessees is unacceptable to the Original Purchaser, the Company shall, either (a) on or before the next succeeding January 15, substitute for such lessee another lessee approved in a Written Direction, or (b) if no such acceptable lessee is so approved on or before such January 15, deposit with the Trustee within 30 days after such January 15 an amount in cash equal to the value of the units of Trust Equipment as to which no acceptable lessee has been so approved, together with an Officer's Certificate certifying that the amount so deposited is not less than such value; provided, however, that no such Written Direction shall be delivered by the Original Purchaser and the Company shall not be required to take the action specified above in clauses (a) or (b) if, after giving effect to any change in lessees, 50% or more of the units of Trust Equipment, reduced by the aggregate number of units with respect to which cash was theretofore deposited pursuant to this sentence, are leased to Rated Lessees (as hereinafter defined). A Rated Lessee shall mean (1) any lessee specified in Schedule A hereto as to the number of units specified therein, (2) any lessee of

Trust Equipment which has (or if any such lessee is a subsidiary, its parent corporation has) any outstanding indebtedness rated in the case of secured indebtedness "A" (or the equivalent) or better or rated in the case of unsecured indebtedness "Baa" (or the equivalent) or better by Standard & Poor's Corporation or Moody's Investors Services, Inc. (or a comparable rating by any successor to either of their businesses) and (3) if any such lessee (or its parent) does not have any outstanding indebtedness rated by either such rating agency, any such lessee which has, in the opinion of the Original Purchaser, a credit standing equivalent to other companies in a similar line of business having such indebtedness rated as provided in clause (2). It is understood and agreed that the Company will use its best efforts to furnish to the Original Purchaser all such appropriate financial information as may be required in order for the Original Purchaser to evaluate the credit of any such lessee and that any determination made by the Original Purchaser shall be conclusive and binding upon the Company. In the event the Company does not furnish all such appropriate financial information as to any lessee, as determined in the sole discretion of the Original Purchaser, such lessee shall not be deemed to be a Rated Lessee under clause (2) or (3) of the second preceding sentence. Any cash so deposited shall be applied by the Trustee to the prepayment, on the next succeeding June 30 of the instalments of principal on the Trust Certificates (other than any instalment due on such date) ratably in accordance with the unpaid balance of each such instalment, such prepayment to be made pro rata on each outstanding Trust Certificate. For the purposes of this paragraph, value shall be determined in the manner provided in the last paragraph of Section 4.06. Upon Request, the Trustee shall execute and deliver a bill of sale (without recourse or warranties) assigning and transferring to the transferee named by the Company all the right, title and interest of the Trustee in and to any or all of the units of Trust Equipment with respect to which cash has theretofore been deposited pursuant to this paragraph.

Notwithstanding anything to the contrary contained herein, the Company will not amend, terminate or replace any lease covering any of the Trust Equipment without the prior written consent of the holders of a majority in principal amount of the outstanding Trust Certificates if such amendment, termination, or replacement would impair the security provided hereunder by the assignment to the

Trustee of the leases in respect to the Trust Equipment hereunder. Any amendment of a lease which does not reduce the term or the amount of rentals payable thereunder shall not be deemed to impair the security provided hereunder. The Company will deliver to the Trustee and the Original Purchaser (so long as it is a holder of Trust Certificates) copies of all leases assigned hereunder and copies of all amendments thereof.

SECTION 4.10. Indemnity; Compliance with Laws.

The Company covenants and agrees to indemnify the Trustee and the holders of the Trust Certificates against any and all claims, liabilities or losses arising out of or connected with the ownership, possession or use of any of the Trust Equipment, and particularly against any and all claims, liabilities or losses arising out of the use of any patented inventions in or about the Trust Equipment, and to comply in all respects with the laws of the United States of America and of all the states and other jurisdictions in which the Trust Equipment, or any unit thereof, may be operated, and with all lawful acts, rules, regulations and orders of any commissions, boards and other legislative, executive, administrative or judicial bodies or officers having power to regulate or supervise any of the Trust Equipment, including without limitation all lawful acts, rules, regulations and orders of any body having competent jurisdiction relating to automatic coupler devices or attachments, air brakes or other appliances; provided, however, that the Company may in good faith contest the validity of any such law, act, rule, regulation or order, or the application thereof to the Trust Equipment or any part thereof, in any reasonable manner which will not in the judgment of the Trustee materially and adversely affect the rights or interests of the Trustee or of the holders of the Trust Certificates. The Company shall not be relieved from any of its obligations hereunder by reason of the assertion or enforcement of any such claims or the commencement or prosecution of any litigation in respect thereof.

ARTICLE FIVE

EVENTS OF DEFAULT AND REMEDIES

SECTION 5.01. Events of Default. The Company covenants and agrees that in case:

(a) the Company shall default in the payment of any part of the rental payable pursuant to subparagraph (B)(4) of the first paragraph of Section 4.04 when the same shall be due and payable, or shall default in the payment of any part of the rental payable pursuant to subparagraph (B) (1), (2) or (3) of the first paragraph of Section 4.04 for more than ten days after the same shall have become due and payable, or

(b) the Company shall enter into any lease or car contract prohibited by the second paragraph of Section 4.09 or make or suffer any unauthorized assignment or transfer of its rights hereunder or shall make any unauthorized transfer or lease (including, for the purpose of this clause, contracts for the use thereof) of any of the Trust Equipment, or, except as herein authorized, shall part with the possession of any of the Trust Equipment, and shall fail or refuse either to cause such assignment or transfer or lease to be canceled by agreement of all parties having any interest therein and recover possession of such Trust Equipment within 30 days after the Company has actual knowledge of such unauthorized action, or the Trustee shall have demanded in writing such cancelation and recovery of possession, or within said 30 days to deposit with the Trustee a sum in cash equal to the value, as of the date of such unauthorized action (determined in the manner provided in the last paragraph of Section 4.06), of such Trust Equipment (any sum so deposited to be returned to the Company upon the cancelation of such assignment, transfer or lease and the recovery of possession by the Company of such Trust Equipment), or

(c) the Company shall, for more than 30 days after the Trustee shall have demanded in writing performance thereof, fail or refuse to comply with any other of the terms and covenants hereof on its part to be kept and performed, or to make provision satisfactory to the Trustee for such compliance, or

(d) the lease provided for herein shall be terminated by operation of law, or

(e) any proceedings shall be commenced by or against the Company or ETC (i) for any relief which

includes, or might result in, any modification of the obligations of the Company or ETC, as the case may be, under this Agreement, under the guaranty endorsed on the Trust Certificates, or under any instrument made in connection with the purchase of the Trust Certificates by the Original Purchaser (all such obligations being hereinafter called the Obligations), or (ii) under Title 11 of the United States Code, as now constituted or hereafter amended, or under any bankruptcy or insolvency law or law relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions, and, unless such proceedings 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 the Obligations of the Company or ETC, as the case may be, shall not have been duly assumed in writing, pursuant to the applicable provisions of Title 11 of the United States Code, as now constituted or hereafter amended, or pursuant to court order or decree, by any trustee, receiver or custodian appointed for the Company or ETC, as the case may be, or for its property in connection with any such proceedings, in such manner that such Obligations shall have the same status as obligations incurred by such trustee, receiver or custodian, within 60 days after such proceedings shall have been commenced, or

(f) the Company or ETC shall institute proceedings to be adjudicated a bankrupt or insolvent or shall consent to the institution of bankruptcy or insolvency proceedings against it or shall file a petition or answer or consent seeking reorganization or relief under Title 11 of the United States Code or any other federal or state law relating to bankruptcy or insolvency or shall consent to the filing of any such petition or shall consent to the appointment of a receiver or shall make an assignment for the benefit of creditors or shall admit in writing its inability to pay its debts generally as they become due or shall not generally pay its debts as such debts become due, or action shall be taken by the Company or ETC in furtherance of any of the aforesaid purposes, or

(g) material default shall be made by the Company in the performance or observance of any of the covenants, agreements or conditions on its part in the Purchase Agreement; or there shall be any material breach of any of the representations and warranties of the Company or ETC contained in the Purchase Agreement, and such default or breach shall continue for a period of 30 days after written notice to the Company by the Trustee or to the Company and the Trustee by the Original Purchaser, if it is a holder of Trust Certificates, or the holder or holders of 10% or more in aggregate principal amount of the Trust Certificates then outstanding, or

(h) a default or event of default shall exist under any lease, equipment trust agreement, indenture or other security agreement or any other secured obligation for borrowed money or instrument relating thereto (each being hereinafter called a "Security Agreement") under which the Company or ETC is an obligor or guarantor (other than an Excepted Security Agreement as hereinafter defined) by virtue of the operation of any provision (herein called a "Cross-Default Provision") contained in such Security Agreement making it a default or event of default thereunder for there to have occurred and/or be continuing any default or event of default under any other Security Agreement or under any instrument evidencing any unsecured obligation for borrowed money under which the Company or ETC is an obligor or guarantor; as used herein the term "Excepted Security Agreement" means (i) any unsecured revolving bank loan or credit agreement having a term of not more than two years and (ii) any two or more Security Agreements between the same borrower or obligor, on the one hand, and the same lender or lessor or affiliated lender or lessor, on the other hand, wherein a default or event of default under one such Security Agreement constitutes a default or event of default only thereunder and under such other Security Agreement or Security Agreements with the same lender or lessor or affiliated lender or lessor (for purposes of this clause (ii)), a lender or lessor shall be deemed "affiliated" with any other lender or lessor if (x) such lender or lessor owns, directly or indirectly, 100% of the capital stock, other than directors' qualifying shares, of such other lender or lessor,

(y) 100% of the capital stock, other than directors' qualifying shares, of such lender or lessor is owned, directly or indirectly, by such other lender or lessor, or (z) 100% of the capital stock, other than directors' qualifying shares, of such lender or lessor and of such other lender or lessor is owned, directly or indirectly, by the same person),

then, in any such case (herein sometimes called an Event of Default), the Trustee in its discretion may, and upon the written request of the holders of a majority in unpaid principal amount of the then outstanding Trust Certificates shall, by notice in writing delivered to the Company, declare to be due and payable forthwith the entire amount of the rentals (including any unpaid advance rental, but not including rentals required for the payment of interest accruing after the date of such declaration) payable by the Company as set forth in Section 4.04 and not theretofore paid. Thereupon the entire amount of such rentals shall forthwith become and shall be due and payable immediately without further demand, together with interest at the rate of 15-7/8% per annum, to the extent legally enforceable, on any portion thereof overdue. The Company agrees promptly to notify the Trustee of any Event of Default under this Agreement.

In case one or more Events of Default shall happen, the Trustee in its discretion also may, and upon the written request of the holders of a majority in unpaid principal amount of the then outstanding Trust Certificates shall, by notice in writing delivered to the Company, declare the unpaid principal of all the Trust Certificates then outstanding to be due and payable, and thereupon the same shall become and be immediately due and payable.

In case the Company shall fail to pay any installment of rental payable pursuant to Section 4.04(B) (3) or (B)(4) when and as the same shall have become due and payable hereunder, and such default shall have continued for a period of ten days, the Trustee in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceedings at law or in equity for the collection of the rentals so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree, and may enforce any such judgment or final decree against the Company and/or ETC and collect in the manner provided by law out of the property of the Company and/or ETC wherever situated the moneys adjudged or decreed to be payable.

In case there shall be pending proceedings for the bankruptcy or for the reorganization of the Company or ETC

under Title 11 of the United States Code or any other applicable law, or in case a receiver, trustee or custodian shall have been appointed for the property of the Company or ETC, or in the case of any other similar judicial proceedings relative to the Company or ETC, or to the creditors or property of the Company or ETC, the Trustee, irrespective of whether the rental payments hereunder or the unpaid principal amount of the Trust Certificates shall then be due and payable as herein or therein expressed whether by declaration or otherwise and irrespective of whether the Trustee shall have made any demand or declaration pursuant to the provisions of this Section, shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the entire amount of the rentals (including any unpaid advance rental, but not including rentals required for the payment of interest accruing after the date of such payment of all amounts due), and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for reasonable compensation to the Trustee, its agents, attorneys and counsel, and for reimbursement of all expenses and liabilities incurred, and all advances made, by the Trustee except as a result of its gross negligence or wilful misconduct) and of the holders of the Trust Certificates allowed in such proceedings and to collect and receive any moneys or other property payable or deliverable on any such claims, and to distribute all amounts received with respect to the claims of the holders of the Trust Certificates and of the Trustee on their behalf; and any receiver, assignee, trustee or custodian in bankruptcy or reorganization is hereby authorized by each of the holders of the Trust Certificates to make payments to the Trustee, and, in the event that the Trustee shall consent to the making of payments directly to the holders of the Trust Certificates, to pay to the Trustee such amount as shall be sufficient to cover reasonable compensation to the Trustee, its agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Trustee except as a result of its gross negligence or wilful misconduct.

All rights of action and to assert claims under this Agreement, or under any of the Trust Certificates, may be enforced by the Trustee without the possession of any of the Trust Certificates or the production thereof at any trial or other proceedings relative thereto, and any such action or proceedings instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall be for the rat-

able benefit of the holders of the Trust Certificates (other than the Company or ETC, if it holds any Trust Certificates). In any proceedings brought by the Trustee (and also any proceedings involving the interpretation of any provisions of this Agreement to which the Trustee shall be a party) the Trustee shall be held to represent all the holders of the Trust Certificates, and it shall not be necessary to make any holders of the Trust Certificates parties to such proceedings.

SECTION 5.02. Remedies. In case of the happening of any Event of Default, the Trustee may by its agents enter upon the premises of the Company, ETC and of any Affiliate of either thereof or of any lessee (or other person having acquired the use of the Trust Equipment) where any of the Trust Equipment may be and take possession of all or any part of the Trust Equipment and withdraw the same from said premises (subject to any mandatory requirement of law and rights of quiet possession of any lessee referred to in Section 4.09 under any lease), retaining all payments which up to that time may have been made on account of rental for the Trust Equipment and otherwise, and shall be entitled to collect, receive and retain all unpaid mileage or other charges of any kind earned by the Trust Equipment or any part thereof, and may lease or otherwise contract for the use of the Trust Equipment or any part thereof; or the Trustee may with or without retaking possession (but only after declaring due and payable the entire amount of rentals payable by the Company and the unpaid principal of all the then outstanding Trust Certificates, as provided in Section 5.01) sell the Trust Equipment or any part thereof, free from any and all claims of the Company at law or in equity, in one lot and as an entirety or in separate lots, at public or private sale, for cash or upon credit, in its discretion, and may proceed otherwise to enforce its rights and the rights of the holders of then outstanding Trust Certificates, all subject to any mandatory requirements of law applicable thereto. Upon any such sale, the Trustee itself may bid for the property offered for sale or any part thereof. Any such sale may be held or conducted at such place and at such time as the Trustee may specify, or as may be required by law, and without gathering at the place of sale the Trust Equipment to be sold, and in general in such manner as the Trustee may determine, but so that the Company or ETC may and shall have a reasonable opportunity to bid at any such sale. After the Trustee has

fully exercised its remedies hereunder, the Company shall cease to have any rights or remedies in respect of the Trust Equipment hereunder, but all such rights and remedies shall be deemed thenceforth to have been waived and surrendered by the Company, and no payments theretofore made by the Company for the rent or use of the Trust Equipment or any of it shall give to the Company any legal or equitable interest or title in or to the Trust Equipment or any of it or any cause or right of action at law or in equity in respect of the Trust Equipment against the Trustee or the holders of interests hereunder. No such taking of possession, withdrawal, lease or sale of the Trust Equipment by the Trustee shall be a bar to the recovery by the Trustee from the Company of rentals then or thereafter due and payable, or of principal and interest in respect of the Trust Certificates, and the Company shall be and remain liable for the same until such sums have been realized as, with the proceeds of the lease or sale of the Trust Equipment, shall be sufficient for the discharge and payment in full of all the obligations of the Company under this Agreement.

SECTION 5.03. Application of Proceeds. If the Trustee shall exercise any of the powers conferred upon it by Sections 5.01 and 5.02, all payments made by the Company to the Trustee, and the proceeds of any judgment collected from the Company by the Trustee, and the proceeds of every sale or lease by the Trustee of any of the Trust Equipment, together with any other sums which may then be held by the Trustee under any of the provisions hereof (other than sums held in trust for the payment of specific Trust Certificates or a part thereof, or interest thereon) shall be applied by the Trustee to the payment, in the following order of priority, (a) of all proper charges, expenses or advances made or incurred by the Trustee in accordance with the provisions of this Agreement and (b) of the interest then due, with interest on overdue interest at the rate of 15-7/8% per annum, to the extent legally enforceable, and of the principal of all the outstanding Trust Certificates, with interest thereon at the rate of 15-7/8% per annum, to the extent legally enforceable, from the last preceding interest payment date to which interest shall have been paid, whether or not such Trust Certificates shall have been matured by their terms or not, all such payments to be in full if such proceeds shall be sufficient, and if not sufficient, then pro rata without preference between principal and interest.

After all such payments shall have been made in full, the title to any of the Trust Equipment remaining unsold shall be conveyed by the Trustee to the Company free from any further liabilities or obligations to the Trustee hereunder. If after applying all such sums of money realized by the Trustee as aforesaid there shall remain any amount due to the Trustee under the provisions hereof, the Company agrees to pay the amount of such deficit to the Trustee. If after applying as aforesaid the sum of money realized by the Trustee there shall remain a surplus in the possession of the Trustee, such surplus shall be paid to the Company.

SECTION 5.04. Waivers of Default. Prior to the declaration of the acceleration of the maturity of the rentals and of the maturity of all the Trust Certificates as provided in Section 5.01, the holders of a majority in aggregate unpaid principal amount of the Trust Certificates at the time outstanding may on behalf of the holders of all the Trust Certificates waive by an instrument in writing delivered to the Trustee any past default and its consequences, except a default in the payment of any installment of rental payable pursuant to Section 4.04(B)(3) or (B)(4), but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

If at any time after the principal of all the Trust Certificates shall have been declared and become due and payable or if at any time after the entire amount of rentals shall have been declared and become due and payable, all as provided in Section 5.01, but before June 30, 1996, all arrears of rent (with interest at the rate of 15-7/8% per annum upon any overdue instalments, to the extent legally enforceable), the expenses and reasonable compensation of the Trustee, together with all expenses of the trust occasioned by the Company's default, and all other sums which shall have become due and payable by the Company hereunder shall be paid by the Company before any sale or lease by the Trustee of any of the Trust Equipment, and every other default shall be made good or secured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall be made therefor, then, and in every such case, the Trustee, if so requested in writing by the holders of a majority in unpaid principal amount of the Trust Certificates then outstanding, shall by written notice to the Company waive the default by reason of which there shall have been such declaration or

declarations and the consequences of such default, but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

SECTION 5.05. Obligations of the Company Not Affected by Remedies. No retaking of possession of the Trust Equipment by the Trustee, or any withdrawal, lease or sale thereof, nor any action or failure or omission to act against the Company or in respect of the Trust Equipment, on the part of the Trustee or on the part of the holder of any Trust Certificate, nor any delay or indulgence granted to the Company by the Trustee or by any such holder, shall affect the obligations of the Company hereunder (including, without limitation, the rental payment obligations under Section 4.04) or the obligations of the Company or ETC under the guaranty endorsed on the Trust Certificates.

The Company and ETC hereby waive presentation and demand in respect of any of the Trust Certificates and waive notice of presentation, of demand and of any default in the payment of the principal of and interest on the Trust Certificates.

SECTION 5.06. Company To Deliver Trust Equipment to Trustee. In case the Trustee shall demand possession of the Trust Equipment pursuant to Section 5.02 and shall designate a reasonable point or points for the delivery of the Trust Equipment to the Trustee, the Company shall, at its own expense and risk:

(a) forthwith and in the usual manner use its best efforts to cause the Trust Equipment to be placed upon such storage tracks of the Company or any of its Affiliates as the Trustee reasonably may designate; and

(b) permit the Trustee to store the Trust Equipment on such tracks at the risk of the Company without charge for insurance, rent or storage until the Trust Equipment has been sold, leased or otherwise disposed of by the Trustee.

During any storage period, the Company will, at its own cost and expense, maintain and keep each such unit of Trust Equipment in good order and repair and will permit the inspection of the Trust Equipment by the Trustee, the Trustee's representatives and prospective purchasers, lessees and users. This agreement to deliver the Trust

Equipment and furnish facilities as hereinbefore provided is of the essence of the agreement between the parties, and, upon application to any court of equity having jurisdiction, the Trustee shall be entitled to a decree against the Company requiring specific performance hereof. The Company hereby expressly waives any and all claims against the Trustee and its agent or agents for damages of whatever nature in connection with any retaking of any unit of the Trust Equipment in any reasonable manner.

SECTION 5.07. Trustee To Give Notice of Default. The Trustee shall give to the registered holders of the Trust Certificates notice, by registered mail, of each Event of Default hereunder known to the Trustee, within 10 days after it so learns of the same, unless remedied or cured before the giving of such notice.

SECTION 5.08. Control by Holders of Trust Certificates. The registered holders of a majority in aggregate unpaid principal amount of the then outstanding Trust Certificates, by an instrument or instruments in writing executed and delivered to the Trustee, shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee; provided, however, that the Trustee shall have the right to decline to follow any such direction (i) if the Trustee shall be advised by counsel that the action so directed may not lawfully be taken or (ii) if the Trustee shall be advised by counsel that the action so directed may involve it in personal liability, unless the Trustee is furnished with indemnity satisfactory to it. The Trustee may take any other action deemed proper by the Trustee which is not inconsistent with any such direction given hereunder.

SECTION 5.09. Remedies Cumulative; Subject to Mandatory Requirements of Law. The remedies in this Agreement provided in favor of the Trustee and the holders of the Trust Certificates, or any of them, shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in their favor existing at law or in equity; and such remedies so provided in this Agreement shall be subject in all respects to any mandatory requirements of law at the time applicable thereto, to the extent such requirements may not be waived on the part of the Company or ETC.

SECTION 5.10. Notice of Cross-Default Provisions. The Company and ETC covenant and agree that in the event that they shall execute any lease, equipment trust agreement, indenture or other security agreement or any other secured obligation for borrowed money or instrument relating thereto (other than an Excepted Security Agreement as defined in paragraph (h) of Section 5.01) under which the Company or ETC is an obligor or guarantor, or any amendment thereto, containing a Cross-Default Provision of the type referred to in paragraph (h) of Section 5.01, they will each give prompt written notice thereof to the Trustee and each holder of Trust Certificates which notice shall include a copy of the instrument in which such provision is contained.

SECTION 5.11. Books and Records; Inspection of Property. The Company and ETC jointly and severally covenant that they will each keep accurate corporate books and financial records, and that so long as any Trust Certificate shall be outstanding, they will permit any person designated by the Trustee in writing, at the Trustee's expense, to visit and inspect the Trust Equipment (subject to the rights of the lessees thereof), all at such reasonable times and as often as the Trustee may reasonably request.

ARTICLE SIX

ADDITIONAL COVENANTS AND AGREEMENTS BY THE COMPANY AND ETC

SECTION 6.01. Guaranty of Company and ETC. The Company and ETC jointly and severally unconditionally covenant, agree and guarantee that the holder of each of the Trust Certificates shall receive the principal amount thereof, in such coin or currency of the United States of America as, at the time of payment, shall be legal tender for the payment of public and private debts, when and as the same shall become due and payable, in accordance with the provisions thereof or of this Agreement (and, if not so paid, with interest thereon until paid at the rate of 15-7/8% per annum, to the extent legally enforceable), and shall receive interest thereon in like money at the rate specified therein, at the times and place and otherwise as expressed in the Trust Certificates or this Agreement (and, if not so paid, with interest thereon until paid at the rate of 15-7/8% per annum, to the extent legally enforceable); and the Company and ETC each agrees to endorse upon each of the Trust Certificates, at or before the issuance and delivery thereof by the Trustee, their joint and

several guaranty of the prompt payment of the principal thereof and of the interest thereon, in substantially the form hereinbefore set forth. Said guaranty so endorsed shall be signed in the name and on behalf of the Company and ETC, each, by the manual or facsimile signature of its President, a Vice President or the Controller. In case any officer of the Company or ETC whose signature shall appear on said guaranty shall cease to be such officer before the Trust Certificates shall have been issued and delivered by the Trustee, or shall not have been acting in such capacity on the date of the Trust Certificates, such guaranty shall nevertheless be as effective and binding upon the Company and ETC as though the person who signed said guaranty had not ceased to be or had then been such officer.

ETC further unconditionally guarantees to the Trustee and the holders of the Trust Certificates the due and punctual performance of all undertakings and obligations of the Company under this Agreement and the Purchase Agreement and unconditionally guarantees to the Trustee and to the holders of the Trust Certificates that all sums payable by the Company under this Agreement and the Purchase Agreement will be paid promptly when due in accordance with the provisions of this Agreement and the Purchase Agreement and, in case of default by the Company in any such obligations or payment, ETC agrees punctually to perform or pay the same, irrespective of any enforcement against the Company of any of the rights of the Trustee and the holders of the Trust Certificates under this Agreement or the Purchase Agreement. The Company and ETC hereby agree that their respective obligations hereunder and under the aforesaid guaranty on the Trust Certificates shall be unconditional, irrespective of the genuineness, validity, regularity or enforceability of this Agreement or any other circumstance which might otherwise constitute a legal or equitable discharge of a guarantor. No waiver by the Trustee or the holders of any of the Trust Certificates of any of their rights hereunder or under the Trust Certificates and no action by the Trustee or the holders of any of the Trust Certificates to enforce any of their rights or failure to take, or delay in taking, any such action shall affect the obligations of the Company or ETC hereunder or under said guaranty of the Trust Certificates.

SECTION 6.02. Discharge of Liens. The Company covenants and agrees that it will pay and discharge, or cause to be paid and discharged, or make adequate provision

for the satisfaction or discharge of, any debt, tax, charge, assessment, obligation or claim which if unpaid might become a lien, charge, security interest or other encumbrance upon or against any of the Trust Equipment; but this provision shall not require the payment of any such debt, tax, charge, assessment, obligation or claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings, provided that such such contest will not materially and adversely affect the rights or interests of the Trustee or of the holders of the Trust Certificates and the Company shall have furnished the Trustee with an Opinion of Counsel to such effect. If the Company does not forthwith pay and discharge, or cause to be paid and discharged, or make adequate provision for the satisfaction or discharge of, any such debt, tax, charge, assessment, obligation or claim as required by this Section, the Trustee may, but shall not be obligated to, pay and discharge the same and any amount so paid shall be secured by and under this Agreement until reimbursed by the Company.

SECTION 6.03. Filing. The Company will, promptly after the execution and delivery of this Agreement and each supplement or amendment hereto, cause the same to be duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303. The Company will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register and record and will refile, reregister and rerecord any and all further instruments required by law (including all applicable laws of Canada and any other jurisdiction) or reasonably requested by the Trustee for the purpose of proper protection of the security interests of the Trustee in and to the Trust Equipment and the assignment hereunder, as additional security, of the interests of the Company in and to the leases of the Trust Equipment and its rights and the rights of the holders of the Trust Certificates and of fully carrying out and effectuating this Agreement and the intent hereof.

Promptly after the execution and delivery of this Agreement and of each supplement or amendment hereto, the Company will furnish to the Trustee an Opinion of Counsel stating that, in the opinion of such counsel, such document or any financing statement relating to such document has been properly deposited, filed, registered and recorded and redeposited, refiled, reregistered and rerecorded, if necessary, so as effectively to protect the security interests of the Trustee in and to the Trust

Equipment and the assignment hereunder, as additional security, of the interests of the Company in and to the leases of the Trust Equipment described in Schedule A hereto, as supplemented, and its rights and the rights of the holders of the Trust Certificates hereunder and reciting the details of such action.

SECTION 6.04. Further Assurances. The Company and ETC each covenants and agrees from time to time to do all such acts and execute all such instruments of further assurance as it shall be reasonably requested by the Trustee to do or execute for the purpose of fully carrying out and effectuating this Agreement and the intent hereof.

SECTION 6.05. Merger or Consolidation. The Company and ETC each covenants and agrees that in the eventuality that it should merge or consolidate with, or transfer all or substantially all its assets to, another corporation, the survivor of such merger or consolidation or such transferee shall be a solvent corporation organized under the laws of the United States of America or a state thereof or the District of Columbia and such survivor (if not the Company or ETC, as the case may be) or transferee shall assume all the obligations and liabilities of the Company or ETC, as the case may be, hereunder and as guarantor of the Trust Certificates; provided, however, that in the case of any such transfer, such assumption shall not (unless such release shall have been consented to by the holders of 66-2/3% in outstanding principal amount of Trust Certificates) release the Company or ETC, as the case may be, from any of its obligations hereunder or under its guaranty endorsed on the Trust Certificates.

ARTICLE SEVEN

CONCERNING THE HOLDERS OF TRUST CERTIFICATES

SECTION 7.01. Evidence of Action Taken by Holders of Trust Certificates. Whenever in this Agreement it is provided that the holders of a specified percentage in aggregate unpaid principal amount of the Trust Certificates may take any action (including the making of any demand or request, the giving of any notice, consent or waiver or the taking of any other action), the fact that at the time of taking any such action the holders of such specified percentage have joined therein may be evidenced by any instrument or any

number of instruments of similar tenor executed by holders of Trust Certificates in person or by agent or proxy appointed in writing.

SECTION 7.02. Proof of Execution of Instruments and of Holding of Trust Certificates. Proof of the execution of any instrument by a holder of Trust Certificates or his agent or proxy and proof of the holding by any person of any of the Trust Certificates shall be sufficient if made in the following manner:

The fact and date of the execution by any such person of any instrument may be proved by the certificate of any notary public or other officer of any jurisdiction within the United States of America authorized to take acknowledgments of deeds to be recorded in such jurisdiction that the person executing such instrument acknowledged to him the execution thereof, or by an affidavit of a witness to such execution sworn to before any such notary or other such officer. Where such execution is by or on behalf of any legal entity other than an individual, such certificate or affidavit shall also constitute proof of the authority of the person executing the same.

The ownership of Trust Certificates may be proved by the register of such Trust Certificates or by a certificate of the registrar thereof.

SECTION 7.03. Trust Certificates Owned by Company or ETC. In determining whether the holders of the requisite unpaid principal amount of the Trust Certificates have concurred in any direction, request or consent under this Agreement, Trust Certificates which are owned by the Company or ETC or by any other obligor on the Trust Certificates or by an Affiliate of the Company or ETC or any such other obligor shall be disregarded, except that for the purpose of determining whether the Trustee shall be protected in relying on any such direction, request or consent, only Trust Certificates which the Trustee knows are so owned shall be disregarded.

SECTION 7.04. Right of Revocation of Action Taken. At any time prior to (but not later than) the evidencing to the Trustee, as provided in Section 7.01, of the taking of any action by the holders of the percentage in aggregate unpaid principal amount of the Trust Certifi-

cates specified in this Agreement in connection with such action, any holder of a Trust Certificate the serial number of which is shown by the evidence to be included in the Trust Certificates the holders of which have consented to such action may, by filing written notice with the Trustee and upon proof of holding as provided in Section 7.02, revoke such action insofar as concerns such Trust Certificate. Except as aforesaid any such action taken by the holder of any Trust Certificate shall be conclusive and binding upon such holder and upon all future holders and owners of such Trust Certificate and of any Trust Certificate issued in exchange or substitution therefor, irrespective of whether or not any notation in regard thereto is made upon such Trust Certificate. Any action taken by the holders of the percentage in aggregate unpaid principal amount of the Trust Certificates specified in this Agreement in connection with such action shall be conclusive and binding upon the Company and ETC, the Trustee and the holders of all the Trust Certificates subject to the provisions of Section 5.08.

ARTICLE EIGHT

THE TRUSTEE

SECTION 8.01. Acceptance of Trust. The Trustee hereby accepts the trust imposed upon it by this Agreement, and covenants and agrees to perform the same as herein expressed.

SECTION 8.02. Duties and Responsibilities of the Trustee. In case an Event of Default has occurred (which has not been cured), the Trustee shall exercise such of the rights and powers vested in it by this Agreement, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. The Trustee shall not be deemed to have knowledge of any default or Event of Default under this Agreement or of any other fact or event referred to in this Agreement prior to the time it shall have obtained actual knowledge thereof at its Corporate Trust Office.

No provision of this Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its wilful misconduct, except that

(a) prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred:

(1) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Agreement, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Trustee; and

(2) in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee and conforming to the requirements of this Agreement; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Agreement;

(b) the Trustee shall not be liable for any error of judgment made in good faith, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; provided, however, that the foregoing provisions of this paragraph (b) shall not excuse the Trustee from liability for its action or inaction which was contrary to the express provisions of this Agreement;

(c) the Trustee shall not be liable with respect to any action taken, suffered or omitted to be taken by it in good faith in accordance with the direction (which the Trustee may request) of the holders of a majority in aggregate unpaid principal amount of the then outstanding Trust Certificates relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Agreement;

(d) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion,

report, notice, request, consent, order, Trust Certificate, guaranty or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(e) the Trustee may consult with counsel and any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with such Opinion of Counsel;

(f) the Trustee shall be under no obligation to exercise any of its rights or powers vested in it by this Agreement at the request, order or direction of any of the holders of the Trust Certificates, pursuant to the provisions of this Agreement, unless such holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred therein or thereby; and

(g) the Trustee shall not be liable for any action taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Agreement. None of the provisions contained in this Agreement shall require the Trustee to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it. Whether or not therein expressly so provided, every provision of this Agreement relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

SECTION 8.03. Application of Rentals. The Trustee covenants and agrees to apply the rentals received by it under Section 4.04(B) when and as the same shall be received, and to the extent that such rentals shall be sufficient therefor, for the purposes specified in Section 4.04(B).

The Trustee shall not be required to undertake any act or duty in the way of insuring, taking care of

or taking possession of the Trust Equipment or to undertake any other act or duty under this Agreement until fully indemnified by the Company or by one or more holders of the Trust Certificates against all liability and expenses; and the Trustee shall not be responsible for the filing or recording or refiling or rerecording of this Agreement or of any supplement hereto or statement of new numbers or any other statement or document that may be permitted or required to be filed, recorded, refiled or rerecorded in any jurisdiction to protect or perfect any of the security interests contemplated hereby.

SECTION 8.04. Funds May Be Held by Trustee; Investments. Any moneys at any time paid to or held by the Trustee hereunder until paid out by the Trustee as herein provided may be carried by the Trustee on non-interest bearing deposit with itself.

At any time, and from time to time, if at the time no Event of Default shall have occurred and be continuing, the Trustee, on Request, shall invest and reinvest Deposited Cash held by it or cash deposited with it pursuant to Section 4.06, Section 4.08 or Section 4.09 (hereinafter in this Section called Replacement Funds) in Investments, at such prices, including any premium and accrued interest as are set forth in such Request, such Investments to be held by the Trustee in trust for the benefit of the holders of the Trust Certificates.

The Trustee shall, on Request, or the Trustee may, in the event funds are required for payment against acceptance of Trust Equipment or the payment or prepayment of Trust Certificates, sell such Investments, or any portion thereof, and restore to Deposited Cash or Replacement Funds, as the case may be, the proceeds of any such sale up to the amount paid for such Investments, including accrued interest.

The Trustee shall restore to Deposited Cash or Replacement Funds, as the case may be, out of rent received by it for that purpose under the provisions of Section 4.04(B)(1), an amount equal to any expenses incurred in connection with any purchase or sale of Investments and also an amount equal to any loss of principal incident to the sale or redemption of any Investments for a sum less than the amount paid therefor, including accrued interest.

Until such time as, to the actual knowledge of the Trustee (obtained at its Corporate Trust Office), there shall exist an Event of Default or an event which with the giving of notice or lapse of time or both would constitute an Event of Default hereunder, the Company shall be entitled to receive any interest (in excess of accrued interest paid from Deposited Cash or Replacement Funds at the time of purchase) or other profit which may be realized from any sale or redemption of Investments.

SECTION 8.05. Trustee Not Liable for Delivery Delays or Defects in Equipment or Title. The Trustee shall not be liable to anyone for any delay in the delivery of any of the Trust Equipment, or for any default on the part of the manufacturers thereof or of the Company or for any defect in any of the Trust Equipment or in the title thereto, nor shall anything herein be construed as a warranty on the part of the Trustee in respect thereof or as a representation on the part of the Trustee in respect of the value thereof or in respect of the title thereto or the security afforded thereby.

The Trustee may perform its powers and duties hereunder by or through such attorneys and agents as it shall appoint, and shall be answerable only for its own negligent acts, negligent failures to act and wilful misconduct and not for the default or misconduct of any attorney or agent appointed by it with reasonable care. The Trustee shall not be responsible in any way for, and makes no representations with respect to, the recitals herein contained or for the execution, validity or enforceability of this Agreement or the Trust Certificates (except that the Trustee represents and warrants that the execution, delivery and performance by it of this Agreement and the Trust Certificates and the acceptance of the trust imposed upon it by this Agreement has been duly and validly authorized by all necessary corporate action of the Trustee and that the Trustee has the capacity to accept such trust) or for the guaranty by the Company or ETC.

The Trustee shall be entitled to receive payment of all its expenses and disbursements hereunder, including reasonable counsel fees and expenses, and to receive reasonable compensation for all services rendered by it in the execution of the trust hereby created, all of which shall be paid by the Company.

The Trustee in its individual capacity may own,

hold and dispose of Trust Certificates.

Any moneys at any time held by the Trustee or any paying agent hereunder shall, until paid out or invested by the Trustee or any paying agent hereunder as herein provided, be held by it in trust, as herein provided for the benefit of the holders of the Trust Certificates.

SECTION 8.06. Resignation and Removal; Appointment of Successor Trustee. (a) The Trustee may resign and be discharged of the trust created by this Agreement by giving 30 days' written notice to the Company and the holders of the Trust Certificates and such resignation shall take effect upon receipt by the Trustee of an instrument of acceptance executed by a successor trustee as provided in Section 8.07.

(b) The Trustee may be removed at any time by an instrument in writing signed by the holders of a majority in aggregate unpaid principal amount of the Trust Certificates then outstanding, delivered to the Trustee and to the Company.

(c) If at any time the Trustee shall resign or be removed or otherwise become incapable of acting or, if at any time a vacancy shall occur in the office of the Trustee for any other cause, a successor trustee may be appointed by the holders of a majority in aggregate unpaid principal amount of the then outstanding Trust Certificates by an instrument in writing delivered to the Company and the Trustee. Until a successor trustee shall be appointed by the holders of Trust Certificates as herein authorized, the Company, by an instrument in writing executed by order of its President or any Vice President, shall appoint a trustee to fill such vacancy. A successor trustee so appointed by the Company shall immediately and without further act be superseded by a successor trustee appointed by the holders of Trust Certificates in the manner provided above if such appointment is made within one year after completion of the notice, in the manner provided in the next succeeding paragraph, of the appointment of a successor trustee by the Company. Every successor trustee appointed pursuant to this Section shall be a national bank or a bank or trust company incorporated under the laws of the United States of America or any state thereof or of the District of Columbia, and having a capital and surplus of not less than \$100,000,000, if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms.

(d) The Company shall give notice to the holders of all outstanding Trust Certificates of each resignation or removal of the then Trustee and of each appointment by the Company of a successor trustee pursuant to this Section by mailing written notice of such event by registered mail, postage prepaid.

SECTION 8.07. Acceptance of Appointment by Successor Trustee. Any successor trustee appointed as provided in Section 8.06 shall execute, acknowledge and deliver to the Company and to its predecessor trustee an instrument accepting such appointment hereunder, and, subject to the provisions of Section 8.06(a), thereupon the resignation or removal of the predecessor trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as Trustee herein; but, nevertheless, on the Request of the Company or written request of the successor trustee, upon payment of its charges then unpaid, the trustee ceasing to act shall execute and deliver an instrument transferring to such successor trustee all the rights and powers of the trustee so ceasing to act. Upon written request of any such successor trustee, the Company shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor trustee all such rights and powers. Any trustee ceasing to act shall, nevertheless, retain a lien upon all property or funds held or collected by such trustee to secure any amounts then due it pursuant to the provisions of Section 8.05.

SECTION 8.08. Merger or Consolidation of Trustee. Any corporation into which the Trustee may be merged or converted or with which it may be consolidated or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party shall be the successor of the Trustee hereunder, provided such corporation shall be qualified under the provisions of Section 8.06, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 8.09. Return of Certain Moneys to Company. Notwithstanding any provisions of this Agreement, any moneys paid to the Trustee which are applicable to the payment of the principal of, or interest on, any Trust Certificates which remain unclaimed for five years after the day when such moneys were due and payable shall then be repaid to the Company upon Request, and the holders of such Trust Certificates shall thereafter be entitled to look only to the Company for payment thereof and all liability of the Trustee with respect to such moneys shall thereupon cease; provided, however, that before the repayment of such moneys to the Company as aforesaid, the Trustee may first publish a notice, in such form as may be deemed appropriate by the Trustee, in respect of the Trust Certificates so payable and not presented and in respect of the provisions hereof relating to the repayment to the Company of the moneys held for the payment thereof.

ARTICLE NINE

MISCELLANEOUS

SECTION 9.01. Rights Confined to Parties and Holders. Nothing expressed or implied herein is intended or shall be construed to confer upon or to give to any person, firm or corporation, other than the parties hereto and the holders of the Trust Certificates, any right, remedy or claim under or by reason of this Agreement or of any term, covenant or condition hereof, and all the terms, covenants, conditions, promises and agreements contained herein shall be for the sole and exclusive benefit of the parties hereto and their successors and of the holders of the Trust Certificates.

SECTION 9.02. No Recourse. No recourse under any obligation, covenant or agreement of this Agreement, or of the guaranty endorsed on any Trust Certificate, shall be had against any incorporator, stockholder, officer or director, past, present or future, of the Company or ETC, as such, solely by reason of the fact that such person is an incorporator, stockholder, officer or director, whether by virtue of any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise, all such

liability, whether at common law, in equity, by any constitutional provision, statute or otherwise, of incorporators, stockholders, officers or directors being forever released as a condition of and as consideration for the execution of this Agreement.

SECTION 9.03. Amendment or Waiver. Any provision of this Agreement may be amended or waived with the written consent of the holders of not less than 66-2/3% of the aggregate unpaid principal amount of the Trust Certificates then outstanding; provided, however, that without the consent of the holders of 100% of the aggregate unpaid principal amount of Trust Certificates then outstanding, no such amendment or waiver shall (1) reduce the amount of principal, change the amount or dates of payment of instalments of principal or reduce the rate or extend the time of payment of interest with respect to the Trust Certificates without the consent of the holders of each Trust Certificate so affected, (2) reduce the amount of or extend the time of payment of any rentals payable under this Agreement or release or provide for the release of any of the Trust Equipment or any other property or cash held by the Trustee in trust, otherwise than as expressly permitted by the present terms of this Agreement, or (3) reduce the percent of the aggregate unpaid principal amount of Trust Certificates then outstanding, the holders of which are required to approve any amendment or to effect any waiver.

SECTION 9.04. Binding Upon Assigns. Except as otherwise provided herein, the provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 9.05. Notices. All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered at or mailed postage prepaid by registered mail to (a) in the case of the Company or ETC, The East Tower, Suite 1000, 2550 Golf Road, Rolling Meadows, Illinois 60008, or such other address as may hereafter be furnished to the Trustee in writing by the Company or ETC and (b) in the case of the Trustee,

or such other address as may hereafter be furnished to the Company or ETC or to the holders of the

Trust Certificates in writing by the Trustee. An affidavit by any person representing or acting on behalf of the Company, ETC, the Trustee or the holders of the Trust Certificates as to such mailing, having the registry receipt attached, shall be conclusive evidence of the giving of such demand, notice or communication.

SECTION 9.06. Effect of Headings. The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 9.07. Date Executed. This Agreement shall be deemed to have been executed on the date of the acknowledgment thereof by the officer of the Trustee who signed it on behalf of the Trustee.

SECTION 9.08. Illinois Law Governs. The provisions of this Agreement, and all the rights and obligations of the parties hereunder, shall be governed by the laws of the State of Illinois, and the parties shall be afforded all rights and benefits under 49 U.S.C. § 11303.

IN WITNESS WHEREOF, the Company, ETC and the Trustee have caused their names to be signed hereto by their respective officers thereunto duly authorized and their respective corporate seals, duly attested, to be hereunto affixed as of the day and year first above written.

GIRARD BANK,

[Corporate Seal]

by

Joseph W. Conner
Vice President

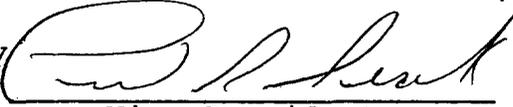
Attest:

G.F. [Signature]

Corporate Trust Officer

[Corporate Seal]

EVANS RAILCAR LEASING COMPANY,

by 
Vice President

Attest:


Assistant Secretary

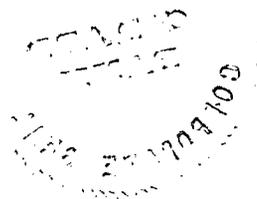
EVANS TRANSPORTATION COMPANY,

[Corporate Seal]

by 
Vice President

Attest:


Assistant Secretary



COMMONWEALTH OF PENNSYLVANIA))
) ss.:
COUNTY OF PHILADELPHIA)

On this 25th day of June 1981, before me personally appeared JOSEPH P. O'CONNELL, to me personally known, who, being by me duly sworn, says that he is a Vice President of Girard Bank, that one of the seals affixed to the foregoing instrument is the corporate seal of said national banking association, that said instrument was signed and sealed on behalf of said association by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

[Notarial Seal]

Noreen Moderski

Notary Public

My Commission expires:

NOREEN MODERSKI NOTARY PUBLIC
PHILADELPHIA PHILADELPHIA COUNTY
MY COMMISSION EXPIRES APR 22 1985
Member Pennsylvania Association of Notaries

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

On this 24th day of June 1981, before me personally appeared PAUL R. LEAK, to me personally known, who, being by me duly sworn, says that he is a Vice President of EVANS RAILCAR LEASING COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Notarial Seal]

Mary E. Grant

Notary Public

My Commission expires: 5/11/84

DESCRIPTION OF TRUST EQUIPMENT AND LEASES

| Type of Car* | Quantity | Lessee | Master Lease Date | Schedule No. | Schedule Date | Term (Years) | Car Numbers (Both Inclusive) |
|---|----------|---|-------------------|--------------|---------------|--------------|------------------------------|
| 21,000 gallon coiled and insulated tank cars | 76 | Archer Daniels Midland Company | 12/01/77 | 4 | 1/23/80 | 5 | USLX 21519-21594 |
| 4,780 c.f. 100-ton covered hopper cars | 10 | Farmers Co-op Grain & Supply Co. | 6/20/79 | 1 | 6/20/79 | 5 | USLX 26380-26389 |
| 21,000 gallon exterior coiled and insulated tank cars | 5 | Georgia Pacific Corporation | 9/12/77 | 8 | 3/04/80 | 5 | USLX 21616-21620 |
| 4,780 c.f. 100-ton covered hopper cars | 350 | Oklahoma, Kansas and Texas Railroad Company | 8/28/80 | 1 | 8/28/80 | 5 | OKKT 3000-3349 |
| 50'6" 70-ton XL boxcars | 15 | Pacific Coast Transportation | 8/20/80 | 1 | 8/20/80 | 15 | NOKL 2135-2149 |
| 52'6" 70-ton XP boxcars | 50 | Pacific Coast Transportation | 3/27/79 | 4 | 10/17/80 | 5 | NOKL 2150-2199 |
| 23,500 gallon exterior coiled and insulated tank cars | 5 | Union Oil Company of California | 2/12/79 | 1 | 2/12/79 | 5 | USLX 21125-21129 |
| 50'6" 70-ton XM boxcars | 77 | Virginia Central Railway | 11/04/80 | 1 | 11/04/80 | 15 | VC 1800-1876 |
| | 588 | | | | | | |

* All Cars manufactured by ETC other than USLX 26380 through and including 26389 which were manufactured by Trinity Industries, Inc.