NORTH AMERICAN CAR

NORTH AMERICAN CAR CORPORATION
33 West Monroe
Chicago, IL U.S.A. 60603
Telephone 312.853.5000
Telex #255222

13580
RECORDATION NO. ..... Filed 1425

MAR 3 1982-3 45 PM

INTERSTATE COMMERCE COMMISSION

Edward H. Soderstorm II
General Counsel
Remarketing Service Division and
Investor Management Programs
Law Department
312.853.5324

2-062A048

February 25, 1982

No. MAR 3 1982
Date .....
Fee $50.00
ICC Washington, D. C.

Secretary
Interstate Commerce Commission
Washington, D.C. 20423

New filing

Dear Secretary:

I have enclosed an original and several counterparts of the document described below, to be recorded pursuant to section 11303 of title 49 of the U.S. Code.

This document is a Lease of Railroad Equipment, a primary document, dated as of February 20, 1981.

The names and addresses of the parties to the document are as follows:

Lessor: General Electric Credit and
Leasing Corporation
260 Long Ridge Road
P. O. Box 8300
Stamford, Connecticut 06904

Lessee: North American Car Corporation
33 West Monroe Street
Chicago, Illinois 60603

No equipment is covered by the document as of the date hereof, it being anticipated that equipment will in the future be so covered through the filings of supplements to the document.

A fee of $50 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to the messenger presenting this document.

A short summary of the document to appear in the index follows:

Lease of Railroad Equipment between General Electric Credit and Leasing Corporation, 260 Long Ridge Road, P. O. Box 8300, Stamford, Connecticut 06904, Lessor, and North American

NORTH AMERICAN CAR

Car Corporation, 33 West Monroe Street, Chicago, Illinois 60603, Lessee, and covering equipment to be described in future supplements to said Assignment of Subleases.

Sincerely,

Edward H. Soderstrom II
Attorney to North American
Car Corporation

EHS:bmt
Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

3/3/82

OFFICE OF THE SECRETARY

Edward H. Sodersterm 11
North American Cae Corporation
33 West Monroe
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 **3/3/82** at **3:45pm**, and assigned recordation number(s). **13580, 13581, 13582 & 13583**

Sincerely yours,

Agatha L. Mergenovich

Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)

no #s

13580

RECORDATION NO. ..... Filed 1425

MAR 3 1982-3 45 PM

INTERSTATE COMMERCE COMMISSION

LEASE OF RAILROAD EQUIPMENT

Dated as of February 20, 1981

BETWEEN

NORTH AMERICAN CAR CORPORATION

AND

GENERAL ELECTRIC CREDIT AND LEASING CORPORATION

LEASE OF RAILROAD EQUIPMENT, dated as of February 20, 1981, between NORTH AMERICAN CAR CORPORATION, a Delaware corporation (hereinafter called the Lessee), and GENERAL ELECTRIC CREDIT AND LEASING CORPORATION, a Delaware corporation (hereinafter called the Lessor).

WHEREAS, the Lessor and the Lessee desire to enter into a form of lease whereby the Lessee may from time to time lease units of railroad equipment from the Lessor.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties hereby agree as follows:

§ 1. Definitions. As used herein, the following terms shall have the following meanings:

"ADR Deductions" with respect to any car means deductions for depreciation for such car computed on the basis of a tax basis equal to at least the Purchase Price for such car, the double-declining balance method of depreciation, switching first to the sum of the years-digits method of depreciation and then to the straight line method of depreciation when most beneficial to the Lessor, an asset depreciation period of twelve years, and a net salvage value of zero.

"Business Day" or "business day" means any day other than a Saturday, Sunday or a day which is a legal holiday in the States of Connecticut, Illinois or New York.

"Capital Addition" means any improvement or betterment of, or accession to, a car not in the nature of a repair, such as headshields for tank cars or car liners, and shall include changes in any car required by a government agency or the Association of American Railroads.

"Car" or "car" means a unit of railroad equipment described in Schedule A to a Rider.

"Casualty Occurrence" has the meaning specified therefor in § 7 hereof.

"Casualty Value" for a car means an amount determined by the Association of American Railroads' system of assessing the value of a unit of railroad equipment involved in a Casualty Occurrence, or if no such system is

in effect on the date Casualty Value is required to be paid, the fair market value for such car, calculated, in either case, as of a date immediately prior to the Casualty Occurrence using the Purchase Price for the car as its original cost and assuming that the car has been maintained at least as well as required by § 9 hereof.

"Event of Default" has the meaning specified therefor in § 10 hereof.

"Investment Credit" with respect to any car means an amount equal to at least 10% of at least the Purchase Price for such car.

"Lease" means this agreement and, as to any car, means this agreement as amended, modified or supplemented by the Rider applicable to such car.

"Management Agreement" means the Management and Service Agreement, dated as of December 15, 1978, between the Lessor and the Lessee, as heretofore or hereafter supplemented, amended and restated.

"Purchase Price" means, with respect to any car, the original purchase price paid by the Lessor for such car, inclusive of all costs and charges for assembling and preparing the car for lease and freight charges incurred in transporting the car for delivery to the Lessee.

"Rider" means a rider, substantially in the form attached hereto as Exhibit A or A-1, suitably completed as provided in § 2 hereof.

"Sublease" means, with respect to any car, an agreement of lease between the Lessee and the Sublessee referred to in the Rider with respect to such car.

"Sublessee" means, with respect to any car, the Sublessee referred to in the Rider with respect to such car or any replacement Sublessee authorized in § 12 hereof.

§ 2. Riders. The Lessor agrees to furnish and lease to the Lessee, and the Lessee agrees to accept and use upon the terms and conditions herein set forth, the cars covered by such Riders as may be added hereto from time to time by agreement of the parties. Each such Rider shall set forth the number of cars and the name of the Sublessee of the cars and, with respect to each car, the rental rate,

term of use and identifying number, and such other pertinent information that may be desired by both parties.

§ 3. Rentals. The Lessee agrees to pay to the Lessor the rental charge set forth for each car on the Rider applicable thereto payable in twelve equal monthly installments in advance on the tenth day of each calendar month during the term of the Lease with respect to such car. If such day is not a business day the rental charges otherwise payable on such date shall be payable on the next succeeding business day. The Lessee also agrees to pay Lessor promptly after receipt by Lessee fifty percent of any penalty, cancellation or similar charge paid to Lessee by any Sublessee as a result of the exercise of an optional cancellation clause permitting termination of such Sublessee's Sublease prior to its stated termination date.

§ 4. Term of Lease. Subject to the provisions of §§ 7 and 10 hereof, the term of the Lease as to any car shall begin on the date set forth in the Rider relating thereto and expire on the earlier of the date of the exercise by a Sublessee of an optional cancellation clause or the date set forth in the Rider with respect thereto; provided, however, that the term shall continue until the date the Lessee regains possession of such car from the Sublessee thereof if the Lessee is unable to obtain possession of such car at the termination of the Sublease thereof as a result of any proceeding relating to such Sublease of such car under any reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction.

§ 5. Identification Marks. The Lessee will cause each car to be kept numbered with the identifying number set forth in the applicable Rider and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each car, in letters not less than one inch in height, the words "OWNERSHIP SUBJECT TO AN EQUIPMENT TRUST OR SECURITY AGREEMENT AND/OR VESTED IN A TRUSTEE OR OTHER PERSON OR ENTITY AS SET FORTH IN A BAILMENT AGREEMENT OR LEASE FILED WITH THE INTERSTATE COMMERCE COMMISSION" or other appropriate words designated by the Lessor, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Lessor's title to and interest in such car. The Lessee will not place any such car in operation or exercise any control or dominion over the same until such words shall have been so marked on both sides thereof and will replace promptly any such words which may be removed, defaced or destroyed.

The Lessee will not change the identifying number of any car unless and until (i) a statement of new number or numbers to be substituted therefor shall have been filed with the Lessor and filed, recorded and deposited by the Lessee in all public offices where the Lease shall have been filed, recorded or deposited and (ii) the Lessee shall have furnished the Lessor an opinion of counsel to the effect that such statement has been so filed, recorded or deposited, such filing, recordation or deposit will protect the Lessor's interests in such cars and no filing, recording, deposit or giving of notice with or to any other Federal, state or local government or agency thereof is necessary to protect the interests of the Lessor in such cars.

Each car may be lettered with the names or initials or other insignia customarily used by the Lessee or which it customarily permits its customers to use. Except as above provided, the Lessee will not allow the name of any person, association or corporation to be placed on any Car as a designation which might be interpreted as a claim of ownership.

§ 6. Taxes. All payments to be made by the Lessee hereunder will be free of expense to the Lessor for collection or other charges and will be free of expense to the Lessor with respect to the amount of any local, state, Federal, or foreign taxes (other than any United States federal income tax [and, to the extent that the Lessor receives credit therefor against its United States Federal income tax liability, any foreign income tax] payable by the Lessor in consequence of the receipt of payments provided for herein and other than the aggregate of all state or city income taxes or franchise taxes measured solely by net income based on such receipts, or gross receipts taxes [other than gross receipts taxes in the nature of sales or use taxes], up to the amount of any such taxes which would be payable to the state and city in which the Lessor has its principal place of business without apportionment to any other state, except any such tax which is in substitution for or relieves the Lessee from the payment of taxes which it would otherwise be obligated to pay or reimburse as herein provided) or license fees, assessments, charges, fines or penalties hereinafter levied or imposed upon or in connection with or measured by this Lease or any sale, rental, use, payment, shipment, delivery or transfer of title under the terms hereof (all such expenses, taxes, license fees, assessments, charges, fines and penalties being hereinafter called impositions), all of which impositions the Lessee assumes and agrees to pay on demand in addition to the payments to

be made by it provided for herein. The Lessee will also pay promptly all impositions which may be imposed upon any car or for the use or operation thereof or upon the earnings arising therefrom (except as provided above) or upon the Lessor soley by reason of its ownership thereof and will keep at all times all and every part of such car free and clear of all impositions which might in any way effect the title of the Lessor or result in a lien upon any such car; provided, however, that the Lessee shall be under no obligation to pay any impositions of any kind so long as it is contesting in good faith and by appropriate legal proceedings such impositions and the nonpayment thereof does not, in the opinion of the Lessor, adversely affect the title, interest, property or rights of the Lessor hereunder. Lessee shall notify Lessor of any imposition that Lessee shall be contesting. If any impositions shall have been charged or levied against the Lessor directly are not being contested by Lessee as hereinabove provided and have been paid by the Lessor, the Lessee shall reimburse the Lessor on presentation of an invoice therefor.

In the event any reports with respect to impositions are required to be made, the Lessee will either make and file such reports in such manner as to show the interest of the Lessor in such cars, if appropriate, or notify the Lessor of such requirement and make and file such reports in such manner as shall be satisfactory to the Lessor.

In the event that, during the continuance of this Lease, the Lessee becomes liable for the payment or reimbursement of any imposition, pursuant to this § 6, such liability shall continue, notwithstanding the expiration of this Lease, until all such impositions are paid or reimbursed by the Lessee.

§ 7. Payment for Casualty Occurrences; Insurance. In the event that any car shall be or become worn out, lost, stolen, destroyed, irreparably damaged, or permanently rendered unfit for use from any cause whatsoever, or seized, confiscated, taken or requisitioned by condemnation or otherwise (such occurrences being hereinafter called Casualty Occurrences) during the term of this Lease or until such car shall have been returned in the manner provided in § 13 hereof, the Lessee shall promptly and fully notify the Lessor with respect thereto. The rental for such car shall cease to accrue, the term of the Lease as to any such car shall terminate and (except in the case of the loss, theft or complete destruction of such car) the Lessor shall be en-

titled to recover possession of such car on the date the Lessee notifies the Lessor of a Casualty Occurrence with respect to such car. On the earlier of ninety-days after a Casualty Occurrence or when the Lessee receives an amount of condemnation payments, insurance proceeds or other payments arising from such Casualty Occurrence equal to the Casualty Value of such car, the Lessee shall pay the Lessor a sum equal to the Casualty Value of such car; provided, however, that if a railroad company has an uncontested obligation to pay the damages or loss resulting from a Casualty Occurrence, the Lessee shall be obligated to forward to the Lessor, promptly upon receipt by the Lessee, any sums received by the Lessee as a result of such Casualty Occurrence and Lessee shall not have a direct obligation to pay Casualty Value to the Lessor. The Lessor hereby appoints the Lessee its agent to dispose of any car suffering a Casualty Occurrence or any component thereof, before or after the expiration of this Lease, at the best price obtainable on an "as is, where is" basis. Provided that the Lessee has previously paid the Casualty Value to the Lessor, the Lessee shall be entitled to the proceeds of such sale to the extent they do not exceed the Casualty Value of such Unit, and shall pay any excess to the Lessor after deduction from such excess of the reasonable expenses of the Lessee incident to such sale.

Except as hereinabove in this § 7 provided, the Lessee shall not be released from its obligations hereunder in the event of, and shall bear the risk of, any Casualty Occurrence to any car from and after delivery and acceptance thereof by the Lessee hereunder.

The Lessee will, at all times while the Lease is in effect, at its own expense, maintain or cause to be maintained with such insurers with which the Lessee insures equipment owned and managed by it, public liability insurance in respect of the cars subject to this Lease at least in amounts and against risks customarily insured against by railroad companies on similar equipment owned by them and in amounts and against risks customarily insured against by the Lessee on similar equipment owned or operated by it (except in each case as otherwise agreed to by the Lessor).

All insurance policies maintained pursuant to this Lease shall: (i) name the Lessor as additional insured with respect to such cars, and (ii) provide that no cancellation thereof shall be effective until at least 30 days after the giving of notice by the insurer thereunder to the Lessor. Any insurance maintained by the Lessee pursuant to this § 7

may be evidenced by blanket insurance policies covering the cars and other property or assets of the Lessee.

As soon as practicable after the execution hereof and thereafter not less than 15 days prior to the expiration dates of the expiring policies theretofore delivered pursuant to this § 7, the Lessee shall deliver to the Lessor duplicate originals of all policies (or in the case of blanket policies, certificates thereof issued by the insurers thereunder) for the insurance maintained pursuant to this § 7; provided, however, that if the delivery of a formal policy or certificate, as the case may be, is delayed, the Lessee shall deliver an executed binder with respect thereto and shall deliver the formal policy or certificate, as the case may be, upon receipt thereof.

There shall be no apportionment of premiums in respect of insurance maintained pursuant to this § 7 at the expiration or any termination of the Lease; and the Lessee may cancel any such policies as of such expiration or termination and obtain any premium refunds incident thereto. The Lessee shall be entitled to any premium refund or dividend received by the Lessor or the Lessee on account of any insurance maintained by the Lessee pursuant to this § 7.

If the Lessor shall receive any insurance proceeds or condemnation payments and the Lessee shall have made payments pursuant to this § 7 without deduction for such insurance proceeds or such condemnation payments, the Lessor shall pay such proceeds or condemnation payments to the Lessee up to an amount equal to the Casualty Value with respect to a car paid by the Lessee and any balance of such proceeds or condemnation payments shall remain the property of the Lessor. All insurance proceeds received by the Lessor in respect of any car not suffering a Casualty Occurrence shall be paid to the Lessee upon proof satisfactory to the Lessor that any damage to such car in respect of which such proceeds were paid has been fully repaired.

§ 8. Reports. On or before the tenth business day following each calendar quarter during which the Lease is in effect, the Lessee will furnish to the Lessor an accurate statement (a) setting forth as at the end of the preceding quarter the amount, description and numbers of all cars then leased, the amount, description and numbers of all cars that have suffered a Casualty Occurrence or are then undergoing repairs (other than running repairs) or have been withdrawn from use pending repairs (other than running repairs) during

the preceding calendar quarter and such other information regarding the condition and state of repair of the cars as the Lessor may reasonably request; (b) setting forth, in detail reasonably satisfactory to the Lessor, any known or anticipated problems or defaults under any Sublease and a detailed breakdown of any action taken by the Lessee with respect to the cars or the Sublease which was not of a routine nature; and (c) stating that, in the case of all cars repainted or repaired during the period covered by such statement, the numbers and the markings required by § 5 hereof have been preserved or replaced. The Lessee will promptly notify the Lessor of any Sublessee which is in default in payment of rentals for more than thirty (30) days.

So long as the Lease is in effect with respect to any car, the Lessee shall furnish to the Lessor:

(i) as soon as available but in no event later than 60 days after the end of each quarterly fiscal period (except the last) in each fiscal year, a consolidated balance sheet of the Lessee and its subsidiaries as at the end of such period, and consolidated statements of income and the related statement of consolidated changes in financial position of the Lessee and its subsidiaries for such period (and, in the case of the second and third quarterly fiscal periods, for the period from the beginning of the current fiscal year to the end of such period) setting forth in each case, in comparative form, the figures for the corresponding periods of the previous fiscal year, all in reasonable detail and certified by a principal financial officer of the Lessee as presenting fairly the consolidated financial position of the Lessee and its subsidiaries as at the end of such period and the results of operations and changes in financial position for the period then ended in accordance with generally accepted accounting principles consistently applied (except as stated therein), subject, however, to audit and year-end adjustments; and

(ii) as soon as available but in no event later than 120 days after the end of each fiscal year (beginning with the fiscal year ending December 31, 1980), consolidated balance sheets of the Lessee and its subsidiaries as at the end of such fiscal year, and consolidated statements of income and the related statement of consolidated changes in financial position

of the Lessee and its subsidiaries for such fiscal year, setting forth, in each case in comparative form, the figures for the previous fiscal year, all in reasonable detail and certified by Arthur Andersen & Co. or other independent certified public accountants of recognized national standing selected by the Lessee as having been prepared in accordance with generally accepted accounting principles consistently applied (except as stated therein) and that the examination made was done in accordance with generally accepted auditing standards.

Subsequent to delivery of financial statements as set forth in (ii) above, any re-affirmation of the representation and warranty in § 14(c) hereof shall be deemed to refer to such financial statements and the date thereof.

Each set of financial statements delivered to the Lessor will be accompanied by a certificate of the President or Vice President and Treasurer or an Assistant Treasurer of the Lessee setting forth that the signers have reviewed the relevant terms of the Lease and have made, or caused to be made, under their supervision a review of the transactions or conditions of the Lessee and its subsidiaries from the beginning of the accounting period covered by the income statements being delivered therewith to the date of the certificate and that such review has not disclosed the existence during such period of any condition or event which constitutes an Event of Default under the Lease or if any such condition or event existed or exists, or if an event has occurred which, with the giving of notice or the passage of time or both, would constitute such an Event of Default specifying the nature and period of existence thereof and what action the Lessee has taken or proposes to take with respect thereto.

The Lessor shall have the right, but not the obligation, at its expense by its agents to inspect the cars and the Lessee's records with respect thereto at such reasonable times as the Lessor may request during the continuance of the Lease. The Lessee will allow the Lessor reasonable access to all records and data in the Lessee's possession relating to the operation of the cars subject to the Lease, upon reasonable notice during normal business hours. Records and data will be held for a period deemed appropriate under the circumstances by the Lessee in accordance with its normal record retention practices and, prior to any destruction

thereof by the Lessee, it will give the Lessor 60 days' prior written notice of intent to destroy. Unless written request and reasonable assurances are given by the Lessor within such 60-day period that the Lessor wishes to collect and carry away such records at its expense, the Lessee may destroy such documents.

If an Event of Default under the Lease shall have occurred and the Lessor has terminated the Lease, the Lessor shall be entitled to obtain copies of all records in the Lessee's control relating to the cars subject to this Lease and shall be further permitted to make copies of any computer software utilized by the Lessee in the performance of its duties hereunder.

§ 9. Disclaimer of Warranties; Compliance with Laws and Rules; Maintenance; Indemnification. THE LESSOR MAKES, HAS MADE OR SHALL BE DEEMED TO MAKE OR HAVE MADE NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE DESIGN, COMPLIANCE WITH SPECIFICATIONS, OPERATION OR CONDITION OF, OR AS TO THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE CARS OR ANY COMPONENT THEREOF DELIVERED TO THE LESSEE HEREUNDER, AND THE LESSOR MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS OF THE CARS OR ANY COMPONENT THEREOF FOR ANY PARTICULAR PURPOSE NOR AS TO TITLE TO THE CARS OR ANY COMPONENT THEREOF (EXCEPT DUE TO ACTS OF THE LESSOR OR PERSONS CLAIMING THROUGH THE LESSOR), NOR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO ANY CARS OR ANY COMPONENT THEREOF (EITHER UPON DELIVERY THEREOF TO THE LESSEE OR OTHERWISE), it being agreed that all such risks are to be borne by the Lessee; but the Lessor hereby irrevocably appoints and constitutes the Lessee its agent and attorney-in-fact during the term of the Lease to assert and enforce from time to time, in the name and for the account of the Lessor and/or the Lessee, as their interests may appear, at the Lessee's sole cost and expense, whatever claims and rights the Lessor may have against the builder or manufacturer of the cars. The Lessor shall have no responsibility or liability to the Lessee or any other person with respect to any of the following: (i) any liability, loss or damage caused or alleged to be caused directly or indirectly by any cars or by any inadequacy thereof or deficiency or defect therein or by any other circumstance in connection therewith; (ii) the use, operation or performance of any cars or any risks relating thereto; (iii) any interruption of service, loss of business or anticipated profits or consequential damages; or (iv) the delivery, operation, servicing, maintenance, repair, improvement or replacement of any cars.

The Lessee agrees to comply in all material respects (including, without limitation, with respect to the use, maintenance and operation of each car) with all laws of the jurisdictions in which its operations involving the cars may extend, with the Rules of Interchange of the Association of American Railroads and with all lawful rules of the United States Department of Transportation, the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the cars, to the extent that such laws or rules affect the title to, operation or use of, the cars, provided, however, that the Lessee may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Lessor, adversely affect the property or rights of the Lessor under the Lease and Lessee shall comply in all respects with any such law or rule if, in the opinion of the Lessor, failure to so comply could adversely affect the property or rights of the Lessor under the Lease.

So long as the Lease is in effect:

(i) Upon notification to the Lessee from any of its Sublessees of damage to a car, other than damage resulting in a Casualty Occurrence, the Lessee will locate a repair facility (which may be a facility owned or operated by the Lessee or its affiliates) and at its sole cost and expense repair, or make all necessary arrangements for the repair of, such car;

(ii) The Lessee will provide for the regular maintenance and servicing of the cars subject to the Lease and will maintain such cars in good order and repair (normal wear and tear excepted), perform all required inspections in accordance with the Rules of Interchange of the Association of American Railroads and any applicable standards of any governmental agency, including without limitation, the United States Department of Transportation and The Federal Railway Administration and maintain and preserve the marks required by § 5 hereof;

(iii) The Lessee warrants that all repairs made at a facility selected by the Lessee hereunder will be free from defects in material and workmanship under normal use and service for one year from the date of the repair;

(iv) In accordance with industry practice, parts which have been replaced in the process of repairing any car shall become the property of the repairer; and

(v) The Lessor shall not repair, alter or modify or authorize the repair, alteration or modification of any car without prior written consent of the Lessee.

The Lessee's obligations under any repair warranty shall be limited to correcting any warranted repair which

does not conform to paragraph (iii) above on any car returned to the Lessee within one year of the date of repair, provided, however, that the foregoing shall not limit in any way the Lessee's obligations under clauses (i) and (ii) above to repair and maintain the cars at its cost so long as the Lease is in effect with respect to any car. THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND OF ALL OTHER OBLIGATIONS OR LIABILITIES ON THE PART OF THE LESSEE. The Lessee shall have no liability for consequential, incidental or special damages as a result of any repair warranty.

During the term of the Lease of any car, Lessee may notify Lessor that it is necessary or desirable to install a Capital Addition to such car. The Lessor may, but shall have no obligation to, agree to pay for such Capital Addition or, with the consent of the Lessee, to install a Capital Addition itself and shall give the Lessee notice of its decision within 15 business days of such notice. The Lessee and the Lessor shall negotiate in good faith as to the treatment of the price thereof, any rental therefor and the cost of any repair and maintenance associated therewith.

If the Lessor decides not to pay for a Capital Addition pursuant to the preceding paragraph, or if mutual agreement cannot be reached in the matters referred to in the last sentence of the preceding paragraph, the Lessee shall have the right to install or authorize the installation of such Capital Addition at its own expense, provided such Capital Addition does not adversely affect the value or utility of the car to which it is affixed.

All Capital Additions for which the Lessor has agreed to pay pursuant to this § 9 shall, if made by the Lessee, be charged to the Lessor at fair market value.

Except as provided below, any and all Capital Additions to any car and any and all parts installed on or replacements made to any car shall be considered accessions to such car and, without cost or expense to the Lessor, all right, title and interest in such accession shall immediately be vested in the Lessor. Any Capital Addition (except a Capital Addition required by a governmental agency or the Association of American Railroads) which can be readily removed without material damage to a car or impairing the value or utility which such car would have had immediately prior to the making of such Capital Addition had such Capital Addition not been made, shall remain the property of the Lessee, provided however Lessee shall at the request of the Lessor remove any Capital Addition which is the property of the Lessee prior to the return of such car to the Lessor.

The Lessee agrees to indemnify, protect and hold harmless the Lessor from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including, but not limited to, counsel fees and expenses, patent liabilities, claims based on strict liability, penalties and interest, arising out of or as the result of the entering into or the performance of the Lease, the ownership of any car, the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any car or any accident in connection with the operation, use, condition, possession, storage or return of any car resulting in damage to property or injury or death to any person, except to the extent such claim arises from an act or omission of the Lessor not related to the transactions contemplated by the Lease. The indemnities arising under this paragraph shall continue in full force and effect with respect to any of the foregoing occurring during the term of the Lease notwithstanding the full payment of all obligations under the Lease or the termination of the Lease.

The Lessee agrees to prepare and deliver to the Lessor within a reasonable time prior to the required date of filing (or, to the extent permissible, file on behalf of the Lessor) any and all reports (other than income tax returns) to be filed by the Lessor with any Federal, state or other regulatory authority by reason of the ownership by the Lessor of the cars or the leasing thereof to the Lessee; provided, however, that the Lessor shall, to the extent appropriate, join in and execute such reports.

§ 10. Default. If, during the continuance of the Lease, one or more of the following events (each such event being hereinafter sometimes called an Event of Default) shall occur:

A. default shall be made by the Lessee in the payment of any amount provided for in § 3 hereof, and such default shall continue for the lesser of (i) 30 days and (ii) 15 days after written notice from the Lessor to the Lessee specifying the nature of such default and demanding that the same be remedied;

B. the Lessee shall knowingly and deliberately make, attempt to make, or permit any unauthorized assignment or transfer of any car, or any interest therein, or of the right to possession of such cars in contravention of the Lease, or knowingly and deliberately take any other action inconsistent with the Lessor's title to and interest in such cars;

C. default shall be made in any material respect in the observance or performance of any other of the warranties, covenants, conditions or agreements on the part of the Lessee contained herein and such default shall continue for 60 days after written notice from the Lessor to the Lessee specifying the default and demanding that the same be remedied;

D. any representation or warranty made by the Lessee hereunder shall be incorrect in any material respect as of the time such representation or warranty was deemed to have been made or given;

E. one or more of the Specified Events under the Management Agreement shall occur unless waived in whole or in part by the Lessor;

F. the Lessee makes an assignment for the benefit of creditors, files a petition in bankruptcy, is adjudicated insolvent or bankrupt, petitions or applies to any tribunal for any receiver of or any trustee for the Lessee or any substantial part of its property, commences any proceeding relating to the Lessee under any reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction, whether now or hereafter in effect, or if there is commenced against the Lessee any such proceeding which remains undismissed for a period of 30 days, or the Lessee by any

act indicates its consent to, approval of or acquiescence in any such proceeding or the appointment of any receiver of or any trustee for the Lessee or any substantial part of its property, or suffers any such receivership or trusteeship to continue undischarged for a period of 30 days;

then, in any such case, the Lessor at its option may, by notice in writing to the Lessee:

(a) proceed by appropriate court action or actions, either at law or in equity, to enforce performance by the Lessee of the applicable covenants of the Lease or to recover damages for the breach thereof; and/or

(b) terminate the Lease by giving the Lessee at least 10 days' written notice of such election, effective on the date specified in such notice, whereupon all rights of the Lessee under the Lease shall absolutely cease and terminate as though the Lease had never been made, but the Lessee shall remain liable with respect to all covenants, representations and warranties as to all matters or conditions existing on or prior to such termination date and the Lessor shall have the right to recover any and all amounts which under the terms of the Lease may be then due or which may have accrued to the date of such termination; and/or

(c) take any other action deemed by the Lessor to be appropriate in order for it to:

(x) notify a Sublessee of the rights assigned to the Lessor under § 12(b) hereof and deal directly with the Sublessee; or

(y) sell, lease or otherwise dispose of the cars leased under a Sublease on such terms or conditions as the Lessor may deem advisable but subject to the rights of the Sublessee under such Sublease; or

(z) take such other action with respect to a Sublease as the Lessor may deem advisable; and/or

(d) take all other actions permitted to it by law or by the terms of the Lease.

Upon the request of the Lessor, the Lessee shall promptly execute and deliver such instruments as the Lessor may deem necessary or appropriate to enable the Lessor to exercise its rights under this Section.

The remedies in the Lease provided in favor of the Lessor shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in its favor existing at law or in equity. The Lessee hereby waives any mandatory requirements of law, now or hereafter in effect, which might limit or modify the remedies herein provided, to the extent that such waiver is permitted by law. The Lessee hereby waives any and all existing or future claims to any offset against the rental payments due hereunder and agrees to make rental payments regardless of any offset or claim which may be asserted by the Lessee or on its behalf.

The failure of the Lessor to exercise the rights granted it hereunder upon the occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies.

§ 11. Assignment. (a) Without the prior written consent of the Lessee, the Lessor shall not assign, convey or otherwise transfer any of its right, title or interest in, to or under the Lease, except that any or all of its right, title and interest in, to or under the Lease may be assigned, conveyed or transferred by the lessor to (i) any banking or financial institution having a combined capital and surplus of at least $250,000,000, (ii) General Electric Company, a New York corporation, or General Electric Credit Corporation, a New York corporation, (iii) any corporation or entity controlled by General Electric Company or General Electric Credit Corporation, or (iv) any trustee (including without limitation, an individual or corporate trustee or a board of trustees) which would hold such rights, title and interest solely in trust for the Lessor or a corporation referred to in (iii) above. Notwithstanding the above, the Lessor may not assign any or all of its right, title and interest in or to any Fleet to more than one assignee. Such institution, corporation or trustee to which such interest may be assigned, conveyed or transferred being hereinafter referred to as "transferee." In the event of any such assignment, conveyance or transfer, the transferee shall become a party to this Lease and will agree to be bound by all the terms of and will undertake all of the obligations of the Lessor contained in the Lease. If the transferee shall be an institution, corporation or trustee of the type described in clause (iii) or (iv) above, General Electric

Company or General Electric Credit Corporation shall become responsible and liable for all obligations of the Lessor under the Lease, otherwise the Lessor shall have no obligation or liability hereunder. If an assignment, tranfer or conveyance is made pursuant to clause (iii) or (iv) above, the Lessor will indemnify and hold the transferee harmless from and against any liability arising out of the acts or omissions of such transferee other than such transferee's own gross negligence or wilful misconduct. No assignment made under clause (iii) or (iv) shall be to an entity which, prior to such assignment, has an independent direct interest in the performance of this Lease or which could realize a direct competitive advantage over or equal to the Lessee as a result of the receipt of information which may be required to be disclosed by the Lessee hereunder or under the Management Agreement. The Lessee shall not be bound by any such assignment, conveyance or transfer unless and until it shall have received an executed counterpart of the instrument of such assignment, conveyance or transfer and the trust instrument relating to the trust described in (iv) above, if any. Subject to any continuing obligations pursuant to the third or fourth sentences hereof, upon any such disposition by the Lessor to a transferee as above provided, such transferee shall be deemed "the Lessor" to the extent of the right, title and interest in this Lease transferred from the Lessor for all purposes hereof, and shall be deemed to have performed all obligations of the Lessor hereunder to the extent previously performed by the Lessor; and each reference herein to the Lessor shall thereafter be deemed a reference to such transferee. Notwithstanding the above, the Lessor shall have the right to assign, convey or otherwise transfer any of its right, title or interest in, to or under the Lease without the consent of the Lessee in the exercise of the Lessor's remedies under § 10 hereof.

(b) Without the prior written consent of the Lessor, the Lessee shall not assign, convey or otherwise transfer any of its right, title or interest in, to or under this Lease or in the cars except that any or all of its right, title and interest in, to and under the Lease may be assigned, conveyed or transferred by the Lessee to any corporation or entity controlled by, controlling or under common control with the Lessee, provided that the Lessee shall remain responsible and liable for all obligations of the Lessee under the Lease and except that this subsection (b) shall not apply to matters provided for or permitted by § 12 hereof.

§ 12. Possession, Use and Subleases. (a) The Lessee, at its own expense, will promptly pay or discharge

any and all sums claimed by any party which, if unpaid, might become a lien, charge, security interest or other encumbrance (other than an encumbrance created by the Lessor or resulting from claims against the Lessor not related to the ownership of the cars) upon or with respect to any car, including any accession thereto, or the interest of the Lessor or the Lessee therein, and will promptly discharge any such lien, claim, security interest or encumbrance which arises; provided, however, that the Lessee shall be under no obligation to discharge any such lien, claim, security interest or encumbrance so long as it is contesting the same in good faith and by appropriate legal proceedings and such contest does not, in the opinion of the lessor, adversely affect the title, interest, property or rights of the Lessor hereunder. The Lessee shall not, without the prior written consent of the Lessor, part with the possession or control of, or suffer or allow to pass out of its possession or control, any of the cars, except to the extent permitted by the provisions of the immediately succeeding paragraph.

(b) Except as provided in clauses (c) and (d) hereof, the Lessee shall at all times during the term of the Lease sublease each car to the Sublessee thereof and the Lessee shall effectively assign as security for the performance of Lessee of its obligations under the Lease all of its right, title and interest, powers, privileges and other benefits in, but not its obligations under, each Sublease to the lessor. So long as no Event of Default shall have occurred and be continuing and Lessor has not given Lessee notice that Lessor intends to exercise its rights arising from such Event of Default and except as provided in clause (c) below, the Lessee is hereby authorized to exercise all of its right, title and interest, powers, privileges and other benefits in each Sublease, including, without limitation, the immediate right to receive and collect (i) all rentals, profits and other sums payable to or receivable by the Lessee from the Sublessee under or pursuant to the provisions of such Sublease whether as rent, casualty payment, indemnity, liquidated damages, or otherwise, (ii) all amounts which may be received or credited to the account of the Lessee in respect of mileage compensation from railroads using any car or any other sums received by or payable to the Lessee from parties other than the Sublessee with respect thereto and (iii) until receipt of the notice referred to above, Lessee may make such use of any amounts received as it would otherwise be entitled to, except for the assignment under this § 12(b).

(c) If a Sublease shall be in default in the payment of rent for a period of in excess of 180 days then unless the Lessee and the Lessor shall have reached agreement with respect to the procedures to be followed by the Lessee to secure a remedy of such default and during the period the Lessee shall be following such procedures, the Lessor shall have the right by written notice to direct the Lessee to terminate such Sublease and to recover possession of all Units leased under such Sublease. Upon receipt of such direction, the Lessee shall, at its own cost, expense and risk, forthwith and in the usual manner use its best efforts to cause or have caused the Sublease to be terminated and the cars leased under such Sublease to be returned to its possession or control.

(d) If, as a result of the termination of a Sublease, the Lessee shall regain possession or control of the cars subject to such Sublease prior to the expiration of the term of the Lease with respect to such cars, the Lessee shall use the same efforts to attempt to re-lease such Units as it would use with railroad equipment owned or managed by it or its affiliates, except that

(i) no such re-lease of any such car shall have a term in excess of the remaining term of the Lease with respect to such cars unless a longer term shall have been agreed to by the Lessor;

(ii) the form of such re-lease would qualify as a "Lease" under the Management Agreement or is comparable, in all material respects, to any "Lease" approved under the Management Agreement;

(iii) the Lessee shall effectively assign as security for the performance of the Lessee's obligations under the Lease all of its right, title and interest, powers, privileges and other benefits in, but not its obligations under, such re-lease to the Lessor; and

(iv) the Lessor shall have consented to such re-lease, which consent shall not be unreasonably withheld.

During the period that the Lessee is attempting to re-lease such cars, but not in excess of one year from the date the Lessee regains possession or control of such cars, the Lessee shall be permitted to usefully employ such cars

in the same manner and to the same extent as other railroad equipment owned, operated or managed by the Lessee or its affiliates. If at the end of such one-year period the Lessee shall not have re-leased any such car, the Lessee shall not use such car for any purpose except in its efforts to re-lease such car.

(e) If as a result of any re-lease permitted by clause (d) hereof, the Lessee shall be entitled to collect a higher yearly rental (exclusive of any amount of rental arising out of Excess Usage Charges (as such term is defined in the Management Agreement) or any amount of identifiable periodic rental with respect to a Capital Addition) with respect to any car re-leased than the annual rental for such car under the terminated Sublease, the annual rental hereunder for such Unit shall be increased by an amount equal to one-half of the amount of the excess of such higher rental over the annual rent under the terminated Sublease immediately prior to such re-lease; provided, however, that the Lessee shall have a credit equal to (y) one-half of an amount equal to the unpaid accrued rentals under such terminated Sublease plus NACC's reasonable costs and expenses of regaining possession or control of such car, preparing such car for re-lease, and re-leasing such car, less (z) an amount, not in excess of the amount in subclause (y), which is equal to one-half of any sums paid to, or recovered by, the Lessee from the Sublessee under the terminated Sublease as a result of the termination of such Sublease, which credit may be used as an off-set against the increased rental hereunder. The Lessee may not use such credit until it has certified to the satisfaction of the Lessor the amount and nature of such costs and expenses. The Lessee may not use a credit with respect to any car to off-set any rental against any other car. The Lessee shall not be entitled to any reduction in the annual rental with respect to any car if the Lessee shall re-lease such car for an annual rental lower than the annual rental therefor under the terminated Sublease.

§ 13. Representations and Warranties. The Lessee represents and warrants as follows:

(a) The Lessee is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware and is duly qualified to do business and is in good standing as a foreign corporation in such jurisdictions in which failure to so qualify could materially and adversely affect the condition (financial or otherwise) of the Lessee.

(b) The Lessee has full power, authority and legal right to carry on its business as now conducted, and is duly authorized and empowered to execute and deliver the Lease and any other document, instrument or certificate that may be delivered pursuant to the Lease, and to fulfill and comply with the terms, conditions and provisions hereof and thereof; each such agreement, document, instrument or certificate has been or will be (at the time of its delivery) duly authorized, executed and delivered and constitutes or will constitute (at the time of its delivery) the valid, legal and binding obligation of the Lessee, enforceable in accordance with its terms.

(c) The consolidated balance sheet of the Lessee and its subsidiaries as of December 31, 1980 and the related consolidated statements of income and retained earnings of the Lessee and its subsidiaries for the fiscal year then ended, certified by Arthur Andersen & Co., independent public accountants, copies of which have been furnished to the Lessor, present fairly the consolidated financial position of the Lessee and its subsidiaries at such date and the consolidated results of their operations for the year then ended. Since December 31 1980 there has been no material adverse change or development which the Lessee has reasonable cause to believe will involve a prospective material adverse change in or affecting the financial position or consolidated results of operation of the Lessee or the Lessee's ability to perform its obligations contemplated by the Lease.

(d) There are no actions, suits or proceedings pending or, to the knowledge of the Lessee, threatened against or affecting the Lessee or any property rights of the Lessee at law or in equity, or before any commission or other administrative agency, which could materially and adversely affect the condition (financial or otherwise) of the Lessee; and the Lessee is not to its best knowledge in default with respect to any order or decree of any court or governmental commission, agency or instrumentality in a manner which could materially and adversely affect the condition (financial or otherwise of the Lessee.

(e) The Lessee is not a party to any agreement or instrument or subject to any charter or other corporate restriction which materially and adversely affects the business, present or proposed, of the Lessee, or its operations, property, assets or condition (financial or otherwise).

(f) Neither the execution and delivery of the Lease, nor the consummation of the transactions herein

contemplated, nor the fulfillment of, or compliance with, the terms and provisions hereof will conflict with, or result in a breach of, any of the terms, conditions or provisions of the certificate of incorporation or the by-laws of the Lessee or of any bond, debenture, note, mortgage, indenture, agreement or other instrument to which the Lessee is now a party or by which it or its property may be bound, or constitute (with the giving of notice or the passage of time, or both) a default thereunder, or result in the creation or imposition of any lien, charge, security interest or other encumbrance of any nature whatsoever upon any property of the Lessee or upon any car.

(g) Neither the execution and delivery by the Lessee of the Lease nor the consummation of the transactions contemplated in the Lease nor the fulfillment of, or compliance with, the terms and provisions of the Lease will conflict with, or result in a breach of, any of the terms, conditions or provisions of any law, or any regulation, order, injunction or decree of any court or governmental instrumentality.

(h) The Lessee validly possesses and is entitled to use all patents, patent rights, licenses, trademarks, trademark rights, trade names, trade name rights and copyrights which the Lessee considers necessary to the conduct of its business as presently operated, or proposed to be operated.

(i) The Lessee expects each car to be used in domestic service within the United States, that is, such car will not be loaded or unloaded outside of the United States.

(j) Each car constitutes property with respect to which the Lessor is entitled to the Investment Credit on the date purchased by the Lessor.

(k) No consent, authorization, approval of or registration with any governmental or public body or authority is required in connection with the execution and delivery by the Lessee of the Lease, or the fulfillment of or compliance with the terms, conditions and provisions hereof.

(l) The Lessee currently maintains its chief executive office in the State of Illinois. The Lessee shall give the Lessor reasonable advance notice of any change in the location of such chief executive office outside of the State of Illinois.

§ 14. Tax Indemnity. (a) If, during the term of the Lease, (1) by reason of any act of commission or omission, misrepresentation, breach of any agreement, covenant or warranty contained herein by the Lessee or (2) by reason of any act of commission or omission, misrepresentation, breach of any agreement, covenant or warranty contained in any Sublease assigned to the Lessor pursuant to the Lease by any Sublessee or any sublessee or assignee of the Sublessee under such Sublease (unless consented to by the Lessor), the Lessor shall lose the right to claim, shall not claim (as the result of a good faith determination based upon the advice of tax counsel selected by the Lessor and reasonably acceptable to the Lessee that such claim is not properly allowable), shall suffer a disallowance of, or shall be required to recapture all or any portion of the Investment Credit or the ADR Deductions allowable with respect to any car purchased by the Lessor and leased to the Lessee pursuant to the Lease (any such event being hereafter called a "Loss"), then the Lessee shall pay to the Lessor, as an indemnity, on 60 days' written notice to the Lessee by the Lessor of such Loss (but not prior to payment by the Lessor of the additional Federal, state or local income tax, as the case may be, which becomes due as a result of the Loss) such amount or amounts which, after deduction of all taxes required to be paid by the Lessor in respect of the receipt of such amounts under the laws of any Federal, state or local government or taxing authority of the United States, shall be equal to the sum of the aggregate additional Federal, state or local income taxes payable by the Lessor from time to time as a result of such Loss plus the amount of any interest, penalties or additional tax payable as a result of such Loss (less any Federal, state or local tax benefits resulting from payment of any amounts reimbursed hereunder), provided, however, that the Lessee shall not be required so to indemnify the Lessor if the Loss results from any act which the Lessee is required to perform under the terms of the Lease or as a result of a Casualty Occurrence. This Section shall not apply to any Loss to the extent the Lessor receives payment of an indemnity with respect to such Loss from the Sublessee of the Car with respect to which such Loss is suffered.

§ 15. Recording. The Lessee, at its own cost and expense, will cause the Lease, including each Rider, each Sublease permitted or required by § 12 hereof, and each assignment with respect to a sublease to be filed or recorded with the Interstate Commerce Commission in accordance with Section 11303(a) of the Interstate Commerce Act, or any

applicable successor provision. The Lessee, at its own cost and expense, will file a UCC-1, or other appropriate form, financing statement with respect to such assignment under the Uniform Commercial Code of the state in which the Lessee maintains its principal executive office and such other states as the Lessor may from time to time reasonably specify. In addition, the Lessee will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, record (and will refile, re-register, deposit and re-deposit or re-record whenever required) any and all further instruments required by law or reasonably requested by the Lessor for the purpose of proper protection, to the Lessor's reasonable satisfaction, of the Lessor's interests in the cars and the Subleases, or for the purpose of carrying out the intention of the Lease. The Lessee will promptly furnish to the Lessor evidence of all such filing, registering, depositing or recording, and will furnish annually on March 1 to the Lessor an opinion of counsel for the Lessee reasonably satisfactory to the Lessor to the effect that all required filings have been made to protect the Lessor's interests in such assignment.

§ 16. Interest on Overdue Rentals. Notwithstanding anything to the contrary contained herein, any nonpayment of rentals and other obligations due hereunder shall result in the additional obligation on the part of the Lessee promptly to pay an amount equal to interest at the rate per annum which Manufacturers Hanover Trust Company, New York, New York, charges for unsecured 90-day loans to large corporate borrowers at the time in effect upon the overdue rentals and other obligations for the period of time which they are overdue or such lesser amount as may be legally enforceable.

§ 17. Notices. Any notice, certificate, document, acceptance or report required or permitted to be given by either party hereto to the other party shall be in writing and shall be deposited in the United States mails first-class postage prepaid, or delivered by a superior means, addressed as follows:

if to the Lessor, at 260 Long Ridge Road, P.O. Box 8300, Stamford, Connecticut 06904, attention of Manager-Operations, Leasing and Industrial Loans Financing Department, with a copy to the General Manager-Leasing and Industrial Loans Financing;

if to the Lessee, at 33 West Monroe Street, Chicago, Illinois 60603, attention of Manager,

Investor Management Program, with a copy to the President;

or addressed to either party at such other address as such party shall hereafter furnish to the other party in writing.

Any notice shall be deemed given, unless earlier received, (i) if sent by certified or registered mail, return receipt requested, 96 hours after being deposited in the United States mails, postage prepaid (except that any copy may be sent by regular mail), (ii) if sent by United States Express Mail, 48 hours after being deposited in the United States mails, postage prepaid (except that any copy may be sent by regular mail), (iii) if sent by telex or facsimile transmission, on the date sent provided confirmatory notice shall be sent by regular mail, postage prepaid, or (iv) if delivered by hand, on the date of receipt. Any notice sent to either party which is incomplete shall not be deemed to have been given until completed.

§ 18. Headings. The descriptive headings of the several sections hereof are inserted for convenience only and do not constitute part of the Lease.

§ 19. No recourse. No recourse shall be held in respect of any obligation due under the Lease, or referred to herein, against any incorporator, stockholder, director or officer, as such, past, present or future, of the Lessor or the Lessee, whether by virtue of any constitutional provision, statute or rule of law or by enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity or by any constitutional provision, statute or otherwise, of incorporators, stockholders, directors, officers, as such, being forever released as a condition of and as consideration for the execution of the Lease.

§ 20. Severability; Modification of Lease. Any provision of the Lease which is prohibited or unenforceable in any jurisdiction shall be, as to such jurisdiction, ineffective to the extent of such prohibition or enforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. No variation or modification of the Lease and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized signatories for the Lessor and the Lessee.

§ 21. Execution. The Lease may be executed in several counterparts, such counterparts together constituting but one and the same instrument, but the counterpart delivered to the Lessor shall be deemed to be the original counterpart. The actual date or dates of execution of the Lease by the parties hereto is or are, respectively, the date or dates stated in the acknowledgements annexed.

§ 22. Law Governing. The terms of the Lease and all rights and obligations hereunder shall be governed by and construed in accordance with the laws of the State of New York; provided, however, that the parties shall be entitled to all rights conferred by Section 11303(a) of the Interstate Commerce Act.

IN WITNESS WHEREOF, the parties hereto have executed or caused this instrument to be executed as of the date first above written.

NORTH AMERICAN CAR CORPORATION

[CORPORATE SEAL]

By _____
Director - Investor Management Programs

Attest:

By _____
(Asst Secy)

GENERAL ELECTRIC CREDIT AND LEASING CORPORATION

[CORPORATE SEAL]

By _____
Manager - Operations

Attest:

By _____
Attesting Secretary

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

On this 18TH th day of June, 1981, before me personally appeared HARRY WOLF, to me personally known, who, being by me duly sworn, says that he is a DIR MAN INV PR of NORTH AMERICAN CAR CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said company, that said instrument was signed and sealed on behalf of said company 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 company.

Christopher W. Moffatt
Notary Public

[NOTARIAL SEAL]

CHRISTOPHER W. MOFFATT
NOTARY PUBLIC, State of New York
Residing in Kings County
Kings Co. Clk's No. 24-4604933
Certificate Filed in
New York Co. Clk's
Commission Expires March 30, 1982

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

On this 8TH th day of June, 1981, before me personally appeared DANIEL COONEY, to me personally known, who, being by me duly sworn, says that he is a MANAGER, OPERATIONS of GENERAL ELECTRIC CREDIT AND LEASING CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said company, that said instrument was signed and sealed on behalf of said company 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 company.

Christopher W. Moffatt
Notary Public

[NOTARIAL SEAL]

CHRISTOPHER W. MOFFATT
NOTARY PUBLIC, State of New York
Residing in Kings County
Kings Co. Clk's No. 24-4604933
Certificate Filed in
New York Co. Clk's
Commission Expires March 30, 1982

FORM OF
RIDER TO NACC LEASE

RIDER NUMBER , dated as of , 19 , to the LEASE OF RAILROAD EQUIPMENT, dated as of February 20, 1981 (the "Lease"), between NORTH AMERICAN CAR CORPORATION, a Delaware corporation (the "Lessee"), and GENERAL ELECTRIC CREDIT AND LEASING CORPORATION, a Delaware corporation (the "Lessor").

Pursuant to § 2 of the Lease, the units of railroad equipment described in Schedule A attached hereto (the "Units"), are hereby leased by the Lessor to the Lessee subject to the terms and conditions of the Lease.

The Lessee agrees to sublease the cars to (the "NACC Sublessee") pursuant to a sublease dated , 19 (the "NACC Sublease").

The annual rent for the cars for each year of the term shall be the amount indicated below:

Year	Rent
1	$_____
2	$_____
3	$_____
4	$_____
5 and thereafter	$_____

payable as provided in § 3 of the Lease.

The cars shall be leased to the Lessee for a period commencing on and continuing until , except as provided in § 4 of the Lease.

The Lessee warrants and represents that the representations and warranties of the Lessee in the Lease are true and correct on and as of the date hereof as though made on and as of this date.

IN WITNESS WHEREOF, the parties hereto have caused this Rider to be executed in their respective corporate names, by officers thereunto duly authorized, and their respective corporate seals to be affixed and duly attested, all as of the date first above written.

NORTH AMERICAN CAR CORPORATION

By_____

[Corporate Seal]

ATTEST:

By_____

GENERAL ELECTRIC CREDIT AND LEASING CORPORATION

By_____

[Corporate Seal]

ATTEST:

By_____

STATE OF)
: ss.:
COUNTY OF)

On this day of , 19 , before me personally appeared , to me personally known, who being by me duly sworn, says that he is a of GENERAL ELECTRIC CREDIT AND LEASING CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed 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.

_____
Notary Public

[Notarial Seal]

STATE OF)
: ss.:
COUNTY OF)

On this day of , 19 , before me personally appeared , to me personally known, who being by me duly sworn, says that he is a of NORTH AMERICAN CAR CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed 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.

_____
Notary Public

[Notarial Seal]

SCHEDULE A

Description of Equipment (Including AAR designation)	Quantity	Reporting Mark (Inclusive)	Serial Number (Inclusive)

FORM OF RIDER TO NACC LEASE
(SHORT-TERM SUBLEASES)

RIDER NUMBER , dated as of , 19 , to the LEASE OF RAILROAD EQUIPMENT, dated as of February 20, 1981 (the "Lease"), between NORTH AMERICAN CAR CORPORATION, a Delaware corporation (the "Lessee"), and GENERAL ELECTRIC CREDIT AND LEASING CORPORATION, a Delaware corporation (the "Lessor").

Pursuant to § 2 of the Lease, the units of railroad equipment described in Schedule A attached hereto (the "Units"), are hereby leased by the Lessor to the Lessee subject to the terms and conditions of the Lease.

The Lessee agrees to sublease the cars to the "Sublessee") pursuant to a short-term sublease dated , 19 (the "Short-Term Sublease").

The periodic rent for the cars for each month of the term shall be the amount indicated below:

Month	Rent
1	$_____
2	$_____
3	$_____
4	$_____
5	$_____
6	$_____

payable as provided in § 3 of the Lease.

The cars shall be leased to the Lessee for a period commencing on and continuing until , except as provided in § 4 of the Lease.

The Lessee warrants and represents that the representations and warranties of the Lessee in the Lease are true and correct on and as of the date hereof as though made on and as of this date.

IN WITNESS WHEREOF, the parties hereto have caused this Rider to be executed in their respective corporate names, by officers thereunto duly authorized, and their respective corporate seals to be affixed and duly attested, all as of the date first above written.

NORTH AMERICAN CAR CORPORATION

By_____

[Corporate Seal]

ATTEST:

By_____

GENERAL ELECTRIC CREDIT AND LEASING CORPORATION

By_____

[Corporate Seal]

ATTEST:

By_____

STATE OF)
: ss.:
COUNTY OF)

On this day of , 19 , before me personally appeared , to me personally known, who being by me duly sworn, says that he is a of GENERAL ELECTRIC CREDIT AND LEASING CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed 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.

_____
Notary Public

[Notarial Seal]

STATE OF)
: ss.:
COUNTY OF)

On this day of , 19 , before me personally appeared , to me personally known, who being by me duly sworn, says that he is a of NORTH AMERICAN CAR CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed 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.

_____
Notary Public

[Notarial Seal]

SCHEDULE A

Description of Equipment (Including AAR designation)	Quantity	Reporting Mark (Inclusive)	Serial Number (Inclusive)