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RECORDATION NO. 14267-A Filed 1425

APR 19 1984 - 3 00 PM

INTERSTATE COMMERCE COMMISSION - 110A090

APR 19 1984

Fee \$ 10.00

1600 Washington, D.C.

April 19, 1984

Secretary, Interstate Commerce Commission
Washington, D.C. 20423

Dear Mr. Secretary:

I have enclosed an original and seven counterparts of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is an amendment, a secondary document, dated as of April 18, 1984. The primary document to which this amendment relates has previously been recorded, on February 6, 1984, as Recordation No. 14267.

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

Lessor: Potomac Leverage Leasing Company
1300 Indian Wood Circle
Maumee, Ohio 43537

Lessee: Grand Trunk Western Railroad Company
131 West Lafayette Boulevard
Detroit, Michigan 48226

Robert E. John

Secretary, Interstate Commerce Commission
Washington, D.C. 20423

A description of the equipment covered by the document follows: One hundred (100) auto racks, more fully described on the attached schedule, attached to flat cars bearing the road numbers described on the attached schedule. Such equipment also bears the following legend: "AUTO RACK OWNED UNDER A SECURITY AGREEMENT FILED UNDER SECTION 11303 OF THE INTERSTATE COMMERCE ACT AND LEASED UNDER A LEASE DEPOSITED UNDER SECTION 86 OF THE RAILWAY ACT OF CANADA".

A fee of \$10.00 is enclosed. Please return the original and any extra counterparts not needed by the Commission for recordation to: Alan J. Mogol, Esquire, Ober, Kaler, Grimes & Shriver, 1600 Maryland National Bank Building, Baltimore, Maryland 21202.

A short summary of the document to appear in the index follows: Amendment Number One to Master Equipment Lease with Recordation No. 14267, dated as of April 18, 1984, and covering one hundred (100) auto racks.

Sincerely yours,



Alan J. Mogol
Attorney for Potomac Leverage Leasing Company

AJM:caa
Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

4/19/84

OFFICE OF THE SECRETARY

Alan J. Mogol

**Ober, Kaler, Grimes & Shriver
1600 Maryland Natl. Bank Building
10 Light St.
Baltimore, Md. 21202**

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 **4/19/84** at **3:00pm** and assigned re-
recording number(s). **14267-A**

Sincerely yours,


JAMES H. BAYNE
Secretary

Enclosure(s)

SE-30
(7/79)

Counterpart No. 2

REGISTRATION NO. 14267A
Filed 1425

AMENDMENT NUMBER ONE
TO
MASTER EQUIPMENT LEASE

APR 19 1984 : 3 00 PM
INTERSTATE COMMERCE COMMISSION

This Amendment Number One to Master Equipment Lease, dated as of April 18, 1984, by and between POTOMAC LEVERAGE LEASING COMPANY, an Ohio corporation having its principal place of business at 1300 Indian Wood Circle, Maumee, Ohio 43537 (the "Lessor"), and GRAND TRUNK WESTERN RAILROAD COMPANY, a Michigan corporation having its principal place of business at 131 West Lafayette Boulevard, Detroit, Michigan 48226 (the "Lessee").

W I T N E S S E T H :

WHEREAS, the Lessor and the Lessee are parties to the Master Equipment Lease, dated as of January 5, 1984 (the "Lease"), pursuant to which the Lessor has leased to the Lessee 100 bi-level auto racks more particularly described therein; and

WHEREAS, the Lessor and the Lessee desire to amend the Lease as permitted by Section 28(a) thereof.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained the Lessor and the Lessee hereby formally covenant, agree and bind themselves as follows:

ARTICLE 1. - Paragraph (8) of Section 6 of the Lease is hereby amended to read as follows:

"(8) The Lessor shall have received on or before each Closing Date, a letter addressed to the Lessor from Trailer Train Company, with respect to each Item of Equipment to be purchased on such Closing Date, reasonably satisfactory to the Lessor in substantially the form attached hereto as Exhibit F."

ARTICLE 2. - Paragraph (f) of Section 11 of the Lease is hereby amended to add thereto, at the end thereof, the following sentence:

"Except as above provided, the Lessee will not allow the name of any person, association or corporation to be placed on any Item of Equipment as a designation that might be interpreted as a claim of ownership or lien thereon; provided, however, that the Lessee may permit each Item of Equipment to be lettered with the names, trademarks, initials or other insignias customarily used by the Lessee or its affiliates on railroad equipment used by it of the same or a similar type for convenience of identification of its rights to use the Item of Equipment under this Lease, and each Item of Equipment may be lettered in an appropriate manner for convenience of identification of the interest of the Lessee therein."

ARTICLE 3. - Paragraph (c) of Section 13 of the Lease is hereby amended to read as follows:

"(c) Upon making such payment in respect of any Item of Equipment, and provided that at such time of payment no default or event of default hereunder shall have occurred and be continuing, this Lease and the obligation to make future payments of Rent with respect to such Item of Equipment shall terminate solely with respect to the Equipment or Items thereof so paid for. The Lessee thereupon shall become entitled to the Equipment as is, where is. In furtherance thereof, the Lessor shall deliver to the Lessee a bill of sale with respect to the Item of Equipment, without recourse, representation or warranty, except that such Item of Equipment is free and clear of all claims, liens, security interests and other encumbrances by or in favor of any person claiming by, through or under the Lessor and, at the Lessee's expense, such other documents as may reasonably be requested by the Lessee."

ARTICLE 4. - Paragraph (a) of Section 15 of the Lease is hereby amended to read as follows:

"(a) By the Lessee. So long as no default or event of default hereunder shall have occurred and be continuing, the Lessee will be permitted, without the prior consent of the Lessor, to sublet any Items of Equipment; provided, however, that no sublease shall be permitted hereunder unless the rights of the sublessee are expressly subject and subordinate to the rights of the Lessor or any Lessor's Assignee under this Lease. The Lessee may not assign any of its rights or obligations under this Lease without the prior written consent of the Lessor. No assignment, sublease or other relinquishment of the possession of any Item of Equipment (whether or not authorized hereunder) shall in any way discharge or diminish any of the Lessee's obligations to the Lessor hereunder, and the Lessee shall continue to be primarily liable hereunder irrespective of any sublease."

ARTICLE 5. - Paragraph (a) of Section 18 of the Lease is hereby amended to read as follows:

"(a) Return After Default. If this Lease shall terminate pursuant to Sections 23 and 24 hereof in respect of any Item of Equipment, the Lessee shall forthwith deliver possession of such Item of Equipment to the Lessor. Each Item of Equipment so delivered shall be in the same operating order, repair and

condition as when originally delivered to the Lessee, reasonable wear and tear excepted, and shall have attached or affixed thereto any Improvement considered an accession thereto as provided in Section 11 hereof and shall have removed therefrom at the Lessee's expense any Improvement which, as provided in Section 11 hereof, is owned by the Lessee or, if the same is not removed, it shall be deemed to be an accession. For the purpose of delivering possession of any Item of Equipment as above required, the Lessee shall at its own cost, expense and risk:

(i) forthwith and in the usual manner (including, but not by way of limitation, giving prompt telegraphic and written notice to the Association of American Railroads and all railroads to which any such Item of Equipment has been interchanged or which may have possession thereof to return such Item of Equipment) and at the usual speed, place such Item of Equipment upon such storage tracks of the Lessee as the Lessor reasonably may designate;

(ii) cause such Items to be stored on such tracks without charge for rent or storage until all such Items of Equipment have been sold, leased or otherwise disposed of by the Lessor;

~~(iii) at the option of the Lessor, to accommodate remarketing of any Item(s) and in the event the cost of storage upon such lines exceeds the cost of storage on lines of the Lessee, furnish and arrange for the Lessor to store such Items of Equipment on any lines of railroad or premises approved by the Lessor until such Items of Equipment have been sold, leased or otherwise disposed of by the Lessor;~~

(iv) detach each Item of Equipment, or cause each Item of Equipment to be detached, from each flatcar to which it is attached;

(v) cause the Items of Equipment to be moved to such interchange point or points as shall be designated by the Lessor upon any sale, lease or other disposal of all or any of the Items of Equipment; and

(vi) unless the Lessee shall have performed its obligations under clause (iv) above, use its best efforts to cause the owner of such flatcars to enter into an agreement with the Lessor, or the

nominee or assignee of the Lessor, in respect of such flatcars, similar to the agreement then existing in respect of such flatcars between such owner and the Lessee, in which case any movement of such Item of Equipment pursuant to (iv) or (v) above shall be a movement of such flatcar with such Item of Equipment attached.

The assembling, delivery and storage of the Items of Equipment as hereinbefore provided shall be at the expense and risk of the Lessee and are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver and store the Items of Equipment. During the period of storage, the Lessee will, at its own cost and expense, maintain insurance in accordance with the standards of Section 14 hereof, maintain and keep the Items of Equipment in good order and repair and will permit the Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser of any such Items of Equipment to inspect the same. All amounts earned in respect of all Items of Equipment after the date of termination of this Lease shall, to the extent that such amount exceeds the expenses of the Lessee incurred in generating such earnings, belong to the Lessor and, if received by the Lessee, shall be promptly turned over to the Lessor. In the event any Item of Equipment shall not be assembled, delivered and stored, within 60 days after such termination, the Lessee shall, in addition, pay to the Lessor for each day thereafter an amount equal to the amount, if any, by which the Basic Rent payable on the Basic Rent Date next succeeding the date of termination for such Items of Equipment divided by 180 shall exceed such earnings received by the Lessor for such Item of Equipment."

ARTICLE 6. - The first clause of the first sentence of Section 21 of the Lease is hereby amended to read as follows:

"The Lessee agrees to defend and assume liability for,..."

ARTICLE 7. - Section 23 of the Lease is hereby amended to add thereto paragraph (f) to read as follows:

"(f) the Lessee shall make or permit any unauthorized assignment, sublease or transfer of this Lease, or any interest herein, or of the right to possession of the Items of Equipment, or any thereof."

ARTICLE 8. - The Schedule to Exhibit B to the Lease is hereby deleted and the revised Schedule to Exhibit B to the Lease attached hereto as Annex A is hereby substituted in lieu thereof.

ARTICLE 9. - The Lease is hereby amended to add thereto Exhibit F in the form of Annex B hereto.

ARTICLE 10. - Except as expressly set forth herein, the terms and conditions of the Lease remain unmodified and in full force and effect.

ARTICLE 11. - Although this Amendment Number One is dated as of the date first above written for convenience, the actual dates of execution hereof by the Lessor and the Lessee are respectively the dates set forth in the acknowledgments hereto, and this Amendment Number One shall be effective on the latest of such dates.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment Number One as of the day and year first above written.

POTOMAC LEVERAGE LEASING COMPANY,
as Lessor

ATTEST: John D. Gagne
J. S. GAGNE
(Typed or Printed Name)

By: [Signature]
S. A. RUBINI
(Typed or Printed Name)

Title: VICE PRESIDENT

[Corporate Seal]

GRAND TRUNK WESTERN RAILROAD
COMPANY, as Lessee

ATTEST: [Signature]
M. P. SELAWY
(Typed or Printed Name)

By: [Signature]
P. E. TATRO
(Typed or Printed Name)

Title: SR VP - Finance

[Corporate Seal]

STATE OF MICHIGAN)
) ss.:
COUNTY OF WAYNE)

On the 18th day of April, 1984, before me personally appeared S. L. RUBINI, who, being by me duly sworn, did say that he/she is an Authorized Officer of POTOMAC LEVERAGE LEASING COMPANY, that one of the seals affixed to the foregoing instrument is the seal of said Corporation, and that said instrument was signed and sealed on behalf of said Corporation, by authority of its by-laws and by resolution of its board of directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

J. Isabelle Matusko
Notary Public

J. ISABELLE MATUSKO
Notary Public, Oakland County, Mi.
My Commission Expires Feb. 17, 1987
Acting in Wayne County

[NOTARIAL SEAL]

My Commission Expires:

STATE OF MICHIGAN)
) ss.:
COUNTY OF WAYNE)

On the 18th day of April, 1984, before me personally appeared P. E. TARD, who, being by me duly sworn, did say that he/she is an Authorized Officer of GRAND TRUNK WESTERN RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the seal of said Corporation, and that said instrument was signed and sealed on behalf of said Corporation, by authority of its by-laws and by resolution of its board of directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

J. Isabelle Matusko
Notary Public

J. ISABELLE MATUSKO
Notary Public, Oakland County, Mi.
My Commission Expires Feb. 17, 1987
Acting in Wayne County

[NOTARIAL SEAL]

My Commission Expires:

SCHEDULE To
EXHIBIT B
To Lease

<u>Description of Auto Racks</u>	<u>Attached to Flatcars Bearing Road Numbers</u>					
Bi-level auto racks with standard height doors	TTSX 940037	TTSX 940172	TTSX 941691	TTSX 940170 TTSX 941583		
	TTSX 940091	TTSX 940175	TTSX 941764			
	TTSX 940093	TTSX 940975	TTSX 941775			
	TTSX 940147	TTSX 941351	TTSX 963568			
	TTSX 940158	TTSX 941376	TTSX 964469			
Fully enclosed bi-level auto racks	TTGX 940001	TTGX 940986	TTGX 941759			
	TTGX 940038	TTGX 941197	TTGX 941769			
	TTGX 940043	TTGX 941495	TTGX 941773			
	TTGX 940051	TTGX 941543	TTGX 941940			
	TTGX 940073	TTGX 941549	TTGX 941941			
	TTGX 940087	TTGX 941569	TTGX 962321			
	TTGX 940111	TTGX 941578	TTGX 963008			
	TTGX 940154	TTGX 941598	TTGX 963015			
	TTGX 940168	TTGX 941602	TTGX 963353			
	TTGX 940184	TTGX 941687	TTGX 940099			
	TTGX 940979	TTGX 941746	TTGX 964793			
	Bi-level covered partially enclosed auto racks with side screens	GTW 504314	TINX 962397			
		TINX 940102	TINX 962399			
TINX 940169		TINX 962402				
TINX 940941		TINX 962526				
TINX 941208		TINX 962613				
TINX 941532		TINX 962884				
TINX 941727		TINX 963435				
TINX 941949		TINX 963436				
TINX 942098		TINX 963560				
TINX 942111		TINX 963593				
TINX 942163		TINX 963820				
TINX 961478		TINX 964070				
TINX 961479		TINX 964459				
TINX 961482		TINX 961541				
TINX 961491		TINX 964718				
TINX 961495		TINX 964925				
TINX 961504		TINX 964944				
TINX 961510		TINX 964946				
TINX 961526		TINX 964948				
TINX 961537		TINX 964952				
TINX 961543		TINX 964953				
TINX 961545		TINX 964954				
TINX 961742		TINX 964955				
TINX 961749	TINX 965135					
TINX 961761	TINX 965291					

April 12, 1984

Grand Trunk Western Railroad Company
131 West Lafayette Boulevard
Detroit, Michigan 48226
Attn: Corporate Secretary

Potomac Leverage Leasing Company
1300 Indian Wood Circle
Maumee, Ohio 43537
Attn: President

Gentlemen:

Trailer Train Company, a Delaware corporation ("Trailer Train"), is the owner or lessee, pursuant to various equipment trusts or lease financings, of certain flatcars which are identified on Schedule A attached hereto (hereinafter called the "Flatcars"). The Flatcars are furnished by Trailer Train to the Grand Trunk Western Railroad Company (the "Lessee") pursuant to a Form A Car Contract between them (the "Car Contract").

Trailer Train understands that the Lessee proposes to lease from Potomac Leverage Leasing Company (the "Lessor") fifty (50) new auto racks (the "Racks") manufactured by Portec, Inc. Trailer Train further understands that the Racks are to be welded or otherwise affixed to the Flatcars, one rack for each Flatcar.

Trailer Train hereby agrees as follows:

1) The Racks shall not at any time be deemed by Trailer Train to constitute fixtures or accessions to the Flatcars; and the Racks shall not become subject to any security interest Trailer Train may have granted in any mortgage, loan agreement, indenture, equipment trust or other agreement.

2) The Lessor directly or through its agents, shall have the right to remove the Racks from the Flatcars following the occurrence of an event of default under the Lessor's lease, or upon the expiration of the Lessor's lease, provided however, that the Lessor shall give written notice of such intention to remove the Racks to Trailer Train at its principal office at 101 North Wacker Drive, Chicago, Illinois 60606, Attention: Vice President-Equipment. Such removal shall be without cost and expense to Trailer Train and shall be effected in such manner as to minimize any damage to the Flatcars and shall not materially impair the Flatcars or the value thereof and shall be made in accordance with the Car Contract.

April 12, 1984

Page Two

3) The cost or purchase price of the Racks or any unit thereof was not and is not included in the purchase price of any of the Flatcars, and none of the Racks is required for the operation or use of the Flatcars by the Interstate Commerce Commission, the United States Department of Transportation or any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over such Flatcars. Trailer Train has not permitted and will not permit any of the Racks to be attached or affixed to any of the Flatcars so as not to be readily removed from such Flatcar without materially impairing such Flatcar or the value thereof.

4) Nothing in this Agreement shall affect the rights and liabilities of Trailer Train and the Lessee under the Car Contract which shall be controlling as to the parties thereto in all matters to which it relates.

5) Trailer Train will not by virtue of this Agreement contravene any mortgage, loan agreement, indenture, equipment trust, or other agreement including but not limited to the agreement or agreements which Trailer Train has heretofore entered into in connection with the acquisition and financing of the equipment set forth on Schedule A to which it is a party.

Very truly yours,

TRAILER TRAIN COMPANY

By: 
Assistant Treasurer