



UPPER MERION & PLYMOUTH RAILROAD COMPANY

P.O. Box 404 • Conshohocken, PA 19428 • (215) 275-2066

RECORDATION NO. _____ Filed 1125 1983
 November 3, 1983 NOV 8 1983 - 3 05 PM Date 11/8/83
 INTERSTATE COMMERCE COMMISSION
 ICC Washington, D.C.
 RECORDATION NO. 14189 Filed 1983
 NOV 8 1983 - 3 05 PM
 INTERSTATE COMMERCE COMMISSION
 RECORDATION NO. _____ Filed 1125 1983
 NOV 8 1983 - 3 05 PM

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

Dear Madam:

INTERSTATE COMMERCE COMMISSION

Enclosed for recordation pursuant to the provisions of Section 11303 of Title 49 of the United States Code and the regulations thereunder are the original and one copy of Lease Agreement, a primary document, dated August 23, 1983.

The names and addresses of the parties to the enclosed documents are:

Lessor: Evans Railcar Leasing Company
 East Tower
 2550 Golf Road
 Rolling Meadows, Illinois 60008

Lessee: Upper Merion & Plymouth Railroad Company
 P.O. Box 404
 Conshohocken, PA 19428

A general description of the railroad equipment covered by the enclosed documents is, as follows:

Forty (40) 52'5" 100-ton general purpose gondolas built in 1980 with an umler value of \$40,001, bearing reporting marks UMP.

The original and all extra copies of the enclosed documents should be returned to Ms. Sharon Schumacher of Funding Systems Railcars, Inc. 2215 Sanders Road, Suite 370, Northbrook, Illinois 60062.

Also enclosed is a remittance in the amount of \$50.00 for payment of primary document recordation fees.

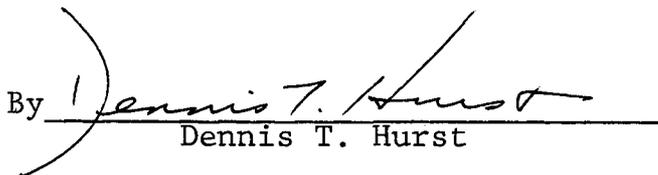
Ms. Agatha E. Mergenovich
Interstate Commerce Commission
November 3, 1983
Page 2

I am an officer of Upper Merion & Plymouth Railroad Company,
and have knowledge of the matters set forth herein.

Very truly yours,

Upper Merion & Plymouth Railroad Company

By


Dennis T. Hurst

rlm

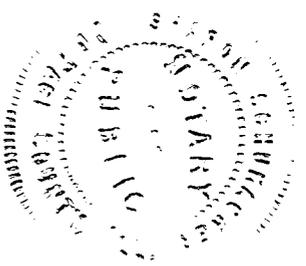
Enclosures

VIA: CERTIFIED MAIL

STATE OF ILLINOIS)
)
COUNTY OF COOK)

14189
REGISTRATION NO. _____ Filed 1125
NOV 8 1983 - 3 05 PM
INTERSTATE COMMERCE COMMISSION

On this 3rd day of NOVEMBER, 1983, I hereby certify that I have compared the attached copy of Lease Agreement, a primary document, dated August 23, 1983 between Evans Railcar Leasing Company ("Lessor"), and Upper Merion & Plymouth Railroad Company ("Lessee") with the original and have found the copy to be complete and identical in all respects to the original document.



[Seal]

Sharon Schumacker
Notary Public

My commission expires
My Commission Expires Jan. 27, 1985

LEASE

AGREEMENT made and entered into this 23rd day of August, 1983 between

EVANS RAILCAR LEASING COMPANY
an Illinois corporation (hereinafter called "Evans")

and

UPPER MERION & PLYMOUTH RAILROAD COMPANY
(hereinafter called "Lessee")

RECITALS

Lessee desires to lease from Evans as Lessor certain railroad cars, hereinafter specifically designated or to be specifically designated, all upon the rentals, terms and conditions as set forth in this Lease.

AGREEMENT

It is agreed:

1. Lease of Cars. Evans agrees to lease to Lessee and Lessee agrees to and hereby lease from Evans that number of railroad cars, of the type, construction and such other description (hereinafter referred to as the "Cars") as is set forth in Schedule 1 of this Lease and as is set forth in Schedules which may from time to time be added to this Lease. The Cars covered by this Lease are those which shall be delivered to and accepted by or on behalf of Lessee pursuant to the terms hereof. This Lease shall become effective with respect to any Car as of the date of its delivery and acceptance hereunder and shall continue with respect to such Car for the term provided in the Schedule covering such Car unless sooner terminated as hereinafter provided. Evans shall deliver Cars f.o.t., at the delivery point specified in the Schedule covering such Cars. From and after such delivery, if any action by Lessee either oral or written cause cars to be routed in such a manner as to incur transportation cost, Lessee shall pay all costs and expenses on account of transportation or movement of the Cars to and from any place and for any reason whatsoever; except that Evans agrees to pay all transportation costs when the cars are moved to and/or from an Evans maintenance facility or a facility designated by Evans.

2. Rental. Rental shall be equivalent to the Actual Car Hire multiplied by the percentage stated in the applicable Schedule. For the purpose of this Lease, Actual Car Hire shall be defined as all sums collected on account of the use of the Cars for a given calendar year, including but not limited to mileage earnings, straight car hire and incentive car hire, without reduction for car hire reclaims by railroads or shippers, except when mutually agreed between Evans and Lessee. Lessee will not be required to make car hire payments while the cars are on the Lessee's railroad.

Although rental is based on a calendar year, Lessee shall perform the foregoing calculations for each individual month during the Lease Term and shall pay rental to Evans based on such calculations. It is understood, however, that the information which is necessary to perform such calculations is customarily unavailable for use until approximately 90 days following the end of the month in question; therefore, it is agreed that the calculation for each month shall be performed within the 90 day period following the close of each month and payment shall be made to Evans within 30 days thereafter. In addition to the monthly calculation, rental shall be reconciled quarterly and annually. If such reconciliations indicate that an adjustment is necessary to conform rental payments to the calendar year rental basis, then the Lessee or Evans, as the case may be, shall pay the other the adjustment amount within 30 days after such amount is determined. As with the monthly calculation, it is understood that the information necessary to perform the quarterly and annual reconciliations will be available approximately 90 days after the close of the applicable quarter or month.

3. Acceptance of Cars. Within three (3) days after Evans shall give Lessee notice that some or all Cars covered by a Schedule are ready for delivery, Lessee may have its authorized representative inspect such Cars at the point of delivery and accept or reject them as being or failing to be in compliance with the terms hereof. Cars so inspected and accepted and any Cars which Lessee does not elect to inspect shall be conclusively deemed to meet all requirements of this Lease and shall be conclusively deemed delivered to and accepted by Lessee.

4. Records. Lessee shall keep records of and monitor the use and movements of all Cars and shall provide to Evans all information and copies of all records and reports, pertaining to the Cars received by Lessee or available to it during normal business hours. Evans shall have the right at any time and from time to time to audit and verify any such information, records and reports and other data pertinent hereto and Lessee shall cooperate with and assist Evans in any such audit or verification. Lessee will at Evans' expense take all appropriate action to record and register the Cars as Evans may request. In addition, if Lessee knows of the initial loading of any of the Cars, Lessee shall promptly thereafter notify Evans of the date, handling railroad and destination of such initial loading.

5. Use - Lettering. Lessee shall use the Cars in a careful and prudent manner in compliance with all Interchange Rules and solely for the uses for which they were designed. From and after the delivery of a Car to Lessee, so long as Lessee shall not be in default hereunder, Lessee shall be entitled to the use of the Car for the full term of this Lease, within the continental limits of the United States of America, or in international service as defined under the Internal Revenue Codes. Except for the lettering to be placed on the Cars by Evans prior to delivery indicating the interest of Lessee, Evans and any

assignee or mortgagee of Evans as permitted in Paragraph 11 hereof, no lettering or marking shall be placed upon any of the Cars by Lessee except upon the written direction or consent of Evans. Lessee shall give preference and shall load the Cars prior to loading similar railroad cars leased from other parties or purchased by Lessee subsequent to the date of this Lease or interchanged with the other railroads, provided, however, that this shall in no event prevent or prohibit Lessee from fulfilling its obligations to provide transportation and facilities upon reasonable request to shippers on its railroad tracks, and provided further, Lessee shall not have to give priority to the loading of the Cars at the expense of unreasonably disrupting Lessee's normal operations.

6. Repair Work. Except as otherwise provided herein, Evans shall at its sole cost and expense perform all Repair Work or authorize or cause same to be done. Lessee shall at its sole cost and expense perform or cause to be performed all Repair Work required by reason of improper loading procedures and/or the negligence of Lessee or an affiliate of Lessee. Lessee, at Evans' expense, may make running repairs defined in AAR Interchange Rules to facilitate continued immediate use of a Car, but shall not otherwise make any repair, alterations, improvements or additions to the Cars without Evans' prior written consent. Upon notification by other railroad(s) of the need for repair, Lessee will promptly notify Evans of the need for repair work. Evans may require Lessee to return Cars, at Evans' expense, for preventive maintenance or Repair Work, and may withdraw from this Lease any Cars which it in its sole discretion deems uneconomical for Repair Work of any kind.

7. Casualty Cars. Evans shall bear the risk of any Car which is lost, stolen, destroyed or damaged beyond economical repair ("Casualty Car") other than on Lessee's lines. Lessee shall bear the risk of and be responsible for any Car which is lost, stolen, destroyed or damaged beyond economical repair on its lines and shall within thirty (30) days after the occurrence of any such event, pay to Evans the amount provided in the Interchange Rules to be paid for such Casualty Car. This Lease shall terminate as to any Casualty Car on the date on which the casualty occurred. All payments for Repair Work or in connection with the loss of any Casualty Car due from third parties shall be assigned to and belong to Evans and Lessee shall cooperate with Evans in the prosecution and collection of all claims therefor.

8. Indemnities. Evans agrees to indemnify Lessee and hold it harmless from any loss, expense or liability which Lessee may suffer or incur from any charge, claim, proceeding, suit or other event which in any manner or from any cause arises in connection with the use, possession, or operation of the Cars while subject to this Lease, excepting only any such loss, expense or liability which arises from Lessee's negligence or which arise as a result of the operation of the Cars on Lessee's lines and Lessee shall indemnify Evans for such loss, expense or liability. The indemnities and assumptions of liability herein contained shall survive the termination of this Lease. Each party shall, upon learning of same, give the other prompt notice of any claim or liability hereby indemnified against.

9. Taxes. Evans shall be liable for and pay all Federal, State or other governmental property taxes assessed or levied against the Cars except that Lessee shall be liable for and pay such taxes when the Cars bear reporting marks other than Evans'. Lessee shall be liable at all times for and shall pay or reimburse Evans for payment of (i) all Federal, State or Local sales or use taxes imposed upon or in connection with the Cars, this Lease, or use of the Cars for or under this Lease, (ii) all taxes, duties or imposts assessed or levied on the Cars or this Lease by a foreign country and/or any governmental subdivision thereof and (iii) all taxes or governmental charges assessed or levied upon its interest as Lessee of Cars.

10. Termination. This Lease shall terminate upon expiration of its term, at election of either party hereto by reason of the default or breach of the other party in the terms hereof, or upon the election of Evans as hereinafter provided. In the event that average monthly rentals received for all cars in any calendar quarter as defined in Paragraph 2 are less than the amount per car per day as specified in the applicable Schedule then Evans may at its option upon thirty (30) days notice to Lessee terminate this Lease in its entirety, or terminate the Lease as to any or all of the Cars subject to this Lease or any Schedule hereto. Lessee shall at the termination of the Lease with respect to any Cars return such Cars to Evans in the same condition (except to Casualty Cars) in which the Cars were furnished and maintained by Evans during the term hereof, ordinary wear and tear excepted. Upon the termination of this Lease with respect to any or all Cars, Lessee shall at its sole cost and expense forthwith surrender possession of such Cars to Evans at any interchange point on Lessee's lines and Lessee agrees to use its best efforts to load the Cars toward the point designated by Evans. Lessee shall provide free storage for a period of up to 90 days for Cars as to which the Lease is terminated. This Lease may be terminated as to all Cars or as to any group of Cars covered by a Schedule without termination of the Lease as to Cars covered by any other Schedule. From and after termination of this Lease with respect to any Car and until its return to Evans all amounts earned by such Car shall be paid to Evans as defined in Paragraph 2, "Rental".

11. Sublease and Assignment. The right to assign this Lease by either party and the Lessee's right to sublease shall exist only as follows:

(a) Lessee shall have no right to assign or sublease or loan the Cars without the prior written consent of Evans.

(b) all rights of Evans under this Lease may be assigned, pledged, mortgaged, transferred or otherwise disposed of either in whole or in part and Evans agrees to give notice to Lessee within 30 days of such assignment, pledge, mortgage, transfer or other such disposition. This Lease and Lessee's rights hereunder are and shall be subject and subordinate to any chattel mortgage, security agreement or equipment trust covering the cars heretofore or hereafter created by Evans.

If Evans shall have given written notice to Lessee stating the identity and post office address of any assignee entitled to receive future rentals and any other sums payable by Lessee hereunder, Lessee shall thereafter make such payments to the designated assignee.

The making of an assignment or sublease by Lessee or an assignment by Evans shall not serve to relieve such party of any liability or undertaking hereunder nor to impose any liability or undertaking hereunder upon any such assignee or sublessee except as otherwise provided herein or unless expressly assumed in writing by such sublessee or assignee.

12. Default. If Lessee or Evans shall fail to make any payment required hereunder within five (5) days after same shall have become due or shall breach any representation or warranty contained herein or shall default or fail for a period of ten (10) days in the due observance or performance of any covenant, condition or agreement required to be observed or performed on its part hereunder, or a proceeding shall have been commenced by or against Lessee or Evans under any bankruptcy laws, Federal or State, or other laws for the appointment of a receiver, assignee or trustee of Lessee or Evans or their property, or Lessee or Evans shall make a general assignment for the benefit of creditors, then and in any of said events Evans or Lessee, as the case may be, may in addition to all other rights and remedies provided in law of equity, upon written notice to such effect, terminate this Lease in its entirety or with respect to any group of Cars with respect to which said default has occurred and thereafter recover any and all damages sustained by reason of Lessee's or Evans' default. The obligation to pay rental then or thereafter due or any other sum or sums due and unpaid or any damages suffered by reason of Lessee's or Evans' default hereunder shall survive the termination of the Lease and the retaking of the Cars.

13. Definitions. For all purposes of this Lease the following terms shall have the following meaning:

"Repair Work" - all repairs, maintenance, modifications, additions or replacements required to keep and maintain the Cars in good working order and repair in accordance with and on the effective date of the requirements of all Interchange Rules and preventive maintenance as determined by Evans to keep and maintain the Cars in good working order and repair.

"Interchange Rules" - all codes, rules, interpretations, laws or orders governing hire, use, condition, repair and all other matters pertaining to the interchange of freight traffic reasonably interpreted as being applicable to the Cars, adopted and in effect from time to time be the Association of American Railroads and any other organization, association, agency, or governmental authority, including the Interstate Commerce Commission and the United States Department of Transportation, which may from time to time be responsible for or have authority to impose such codes, rules, interpretations, laws or orders.

14. Representations. Lessee and Evans respectively covenant, warrant and represent that all of the following matters shall be true and correct at all times that any Car is subject to this Lease:

- (a) Each party is a corporation duly organized and validly existing in good standing under the laws of the state of its incorporation and has the corporate power, authority and is duly authorized and qualified to do business wherever it transacts business and such qualification is required, and has corporate power to and has taken all corporate action necessary to enter into this Lease and carry out its obligations hereunder.
- (b) This Lease has been duly executed on behalf of each party and constitutes the legal, valid and binding obligation of the respective parties enforceable in accordance with its term.
- (c) No governmental, administrative or judicial authorization, permission, consent or approval is necessary on the part of either party in connection with this Lease or any action contemplated on its part hereunder, nor will the execution or performance of this Lease violate any law, judgement order or regulation, or any indenture or agreement binding upon either party; and
- (d) Neither party nor their respective counsel know of any requirements for recording, filing or depositing this Lease other than pursuant to Section 20c of the Interstate Commerce Act, which is necessary to preserve or protect the title of Evans or its assignee or mortgagee in the United States of America.

Upon request of Evans or its assignee or mortgagee at any time or times, Lessee shall deliver to Evans an opinion of its counsel addressed to Evans or its assignee or mortgagee, in form and substance satisfactory to Evans or its assignee or mortgagee, which opinion shall confirm the matters set forth in this Paragraph 14 (a) through (d).

15. Miscellaneous.

- (a) This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns to the extent permitted herein.
- (b) Any notice required or permitted to be given by one party to another hereunder shall be properly given when made in writing, deposited in the United States Mail, registered or certified, postage prepaid addressed to:

Evans at: East Tower
2550 Golf Road
Rolling Meadows, Illinois 60008

Lessee at: P. O. Box 404
Conshohocken, PA 19428

or such other address as either party may from time to time designate by such notice in writing to the other.

- (c) Lessee shall keep the Cars free from any encumbrances or liens, which may be a cloud upon or otherwise affect Evans' title, which arise out of any suit involving Lessee, or any act, omission or failure of Lessee or Lessee's failure to comply with the provisions of this Lease and shall promptly discharge any such lien, encumbrance or legal process. Lessee shall take all action requested by Evans to confirm Evans' interest in the Cars as Lessor and that Lessee has no interest in the Cars other than as Lessee hereunder.
- (d) So long as Lessee is not in default under this Lease, Lessee shall be entitled to the peaceful and quiet possession of the Cars.
- (e) During the continuance of this Lease, Evans shall have the right, at its own cost and expense, to inspect the Cars at any reasonable time or time wherever the Cars may be. Lessee shall, upon request of Evans, but no more than once every year, furnish to Evans two (2) copies of an accurate inventory of all Cars in service.

IN WITNESS WHEREOF, Evans and Lessee have duly executed this Lease as of the day and year first above written.

(CORPORATE SEAL)

ATTEST:

By: Joseph J. Hallman
Vice-President/Comptroller

UPPER MERION & PLYMOUTH RAILROAD COMPANY

By: J. N. Bell
President

(CORPORATE SEAL)

ATTEST:

By: Asst. Secretary
ASST. Secretary

EVANS RAILCAR LEASING COMPANY

By: Curtis C. Tatham
Senior Vice President Marketing

EVANS' LOT NO.

SCHEDULE 1

Page 1 of Schedule 1 dated August 23, 1983, to Lease dated August 23, 1983 by and between EVANS RAILCAR LEASING COMPANY ("Evans") and UPPER MERION & PLYMOUTH RAILROAD COMPANY ("Lessee").

TYPE AND DESCRIPTION OF CAR:

52'5" 100-ton general purpose gondolas built in 1980 with an umler value of \$40,001.

NUMBER OF CARS:

40

INTERIOR EQUIPMENT:

None

SPECIAL LININGS:

None

PERMITTED LADING USE:

Steel Plate, Scrap Steel

REPORTING MARKS AND NUMBERS:

UMP (numbers to be advised)

SPECIFICATIONS DESIGNATED BY LESSEE:

None

INITIAL F.O.T. POINT:

Nearest connecting point on the Upper Merion & Plymouth Railroad

Page 2 of Schedule 1 dated August 23, 1983 to Lease dated August 23, 1983 by and between EVANS RAILCAR LEASING COMPANY ("Evans") and UPPER MERION & PLYMOUTH RAILROAD COMPANY ("Lessee").

LEASE TERM: 2 Years. Will automatically continue month to month unless cancelled upon 30 days prior written notice by either party.

EVANS' PERCENTAGE OF CAR HIRE RECEIVED: 60%

MINIMUM AVERAGE DAILY RENTAL PER CAR: \$7.50 for the first year
\$10.30 for the second year

SPECIAL TERMS: None

(CORPORATE SEAL)

ATTEST:

By: Joseph J. Hallman
Vice President/Comptroller

UPPER MERION & PLYMOUTH RAILROAD COMPANY

By: J. M. Ball
President

(CORPORATE SEAL)

ATTEST:

By: [Signature]
ASST. Secretary

EVANS RAILCAR LEASING COMPANY

By: [Signature]
Curtis C. Tatham, Senior
Vice President Marketing

EXHIBIT A

Exhibit A to Schedule 1 dated August 23, 1983 to Lease dated August 23, 1983, by and between EVANS RAILCAR LEASING COMPANY ("Evans") and UPPER MERION & PLYMOUTH RAILROAD COMPANY ("Lessee").

CERTIFICATE OF ACCEPTANCE

Evans Railcar Leasing Company
2550 Golf Road
Rolling Meadows, IL 60008

Gentlemen:

The undersigned, being a duly authorized representative of Lessee, hereby accepts _____ (____) Cars bearing numbers as follows:

for the Lessee pursuant to the Lease and certifies that each of said Cars is plainly marked in stencil on both sides of each Car with the words

EVANS RAILCAR LEASING COMPANY
OWNER AND LESSOR

Title to this Car subject to documents recorded
under Section 20c of Interstate Commerce Act

in readily visible letters not less than one inch (1") in height; and that each of said Cars conforms to, and fully complies with the terms of said Lease and is in condition satisfactory to the Lessee. If the Lessee is a railroad, Lessee hereby certifies that it is an interstate carrier by rail and that the Cars are intended for actual use and movement in interstate commerce.

Lessee

EXHIBIT B

Railcars Subject To Lease Agreement Dated August 23, 1983.

UMP 5501 through UMP 5507
UMP 5511
UMP 5513
UMP 5515
UMP 5518
UMP 5520
UMP 5523
UMP 5535 through UMP 5536
UMP 5538 through UMP 5540
UMP 5542 through UMP 5543
UMP 5545
UMP 5547
UMP 5549 through UMP 5550
UMP 5552 through UMP 5555
UMP 5557 through UMP 5558
UMP 5560
UMP 5565
UMP 5570
UMP 5581 through UMP 5582
UMP 5587
UMP 5592
UMP 5596 through UMP 5598

STATE OF ILLINOIS
COUNTY OF COOK

On this 31st day of AUGUST, 19 83, before me personally appeared CURTIS C. TATHAM, to me personally known, who being by me duly sworn, says that he is SR. VICE President of EVANS RAILCAR LEASING COMPANY, and _____ personally known to me to be the _____ Secretary of said corporation, that the seal 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 they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Sharon Schumacher
Notary Public

My Commission Expires Jan. 27, 1985

STATE OF PENNSYLVANIA
COUNTY OF MONTGOMERY

On this 31st day of August, 19 83, before me personally appeared J. Noel Ball, to me personally known, who being by me duly sworn, says that he is _____ President of Upper Merion & Plymouth Railroad Company, and Joseph I. Hallman personally known to me to be the V.Pres./Comptroller of said corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Mary Ann Tuturice
Notary Public

MARY ANN TUTURICE, Notary Public
Upper Merion Twp., Montgomery Co., Pa.
My Commission Expires September 24, 1984