



Funding Systems Railcars, Inc.

TRI-STATE CENTER • SUITE 370 • 2215 SANDERS RD. • NORTHBROOK, IL 60062 • (312) 272-8350

December 7, 1983

RECORDATION NO. 14197-B Filed 1425

No. 3-3487-101
Date DEC 14 1983
Fee \$ 10.00
ICC Washington, D.C.

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

DEC 14 1983 - 10 00 AM
INTERSTATE COMMERCE COMMISSION

Dear Madam:

Enclosed for recordation pursuant to the provisions of Section 11303 of Title 49 of the United States Code and the regulations thereunder are copies of Exhibit C of the Management Contract, a secondary document under the Management Contract dated September 28, 1983.

The primary document to which this is connected is recorded under Recordation Number 14192.

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

- Manager: Funding Systems Railcars, Inc.
Suite 370
2215 Sanders Road
Northbrook, Illinois 60062.
- Owner: U.S. Steel Credit Corporation
600 Grant Street
Pittsburgh, Pennsylvania 15230

RECEIVED
DEC 14 10 21 AM '83
U.S.C.
FEE OPERATION BR.

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

One hundred twenty (120) open top hopper cars, bearing the identification marks UMP and UMPX.

The 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.

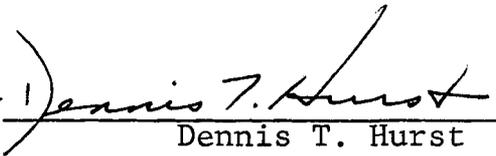
Ms. Agatha Mergenovich
Interstate Commerce Commission
December 7, 1983
Page 2

Also enclosed is a remittance in the amount of \$10.00 for payment of recordation fees.

I am an officer of Funding Systems Railcars, Inc. and have knowledge of the matters set forth herein.

Very truly yours,

Funding Systems Railcars, Inc.

By 
Dennis T. Hurst

DTH/rlm

Enclosures

SENT VIA: Certified Mail

EXHIBIT C

RECORDATION NO. 14192-B Filed 1425

TO

DEC 14 1983 -10 20 AM

INDEPENDENT STATE COMMERCE COMMISSION

MANAGEMENT AGREEMENT

DATED SEPTEMBER 28, 1983

BY AND BETWEEN

FUNDING SYSTEMS RAILCARS, INC. (MANAGER)

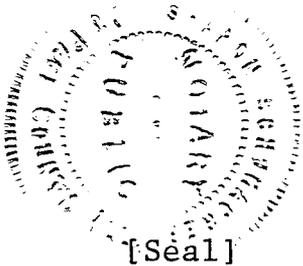
AND

U.S. STEEL CREDIT CORPORATION (OWNER)

STATE OF ILLINOIS)
)
COUNTY OF COOK)

On this 28th day of SEPTEMBER, 1983, I hereby certify that I have compared the attached copy of Exhibit C of the Management Contract, a secondary document, dated September 28, 1983 between Funding Systems Railcars, Inc. ("Manager"), and U.S. Steel Credit Corporation ("Owner") with the original and have found the copy to be complete and identical in all respects to the original document.

Sharon Schumacher
Notary Public



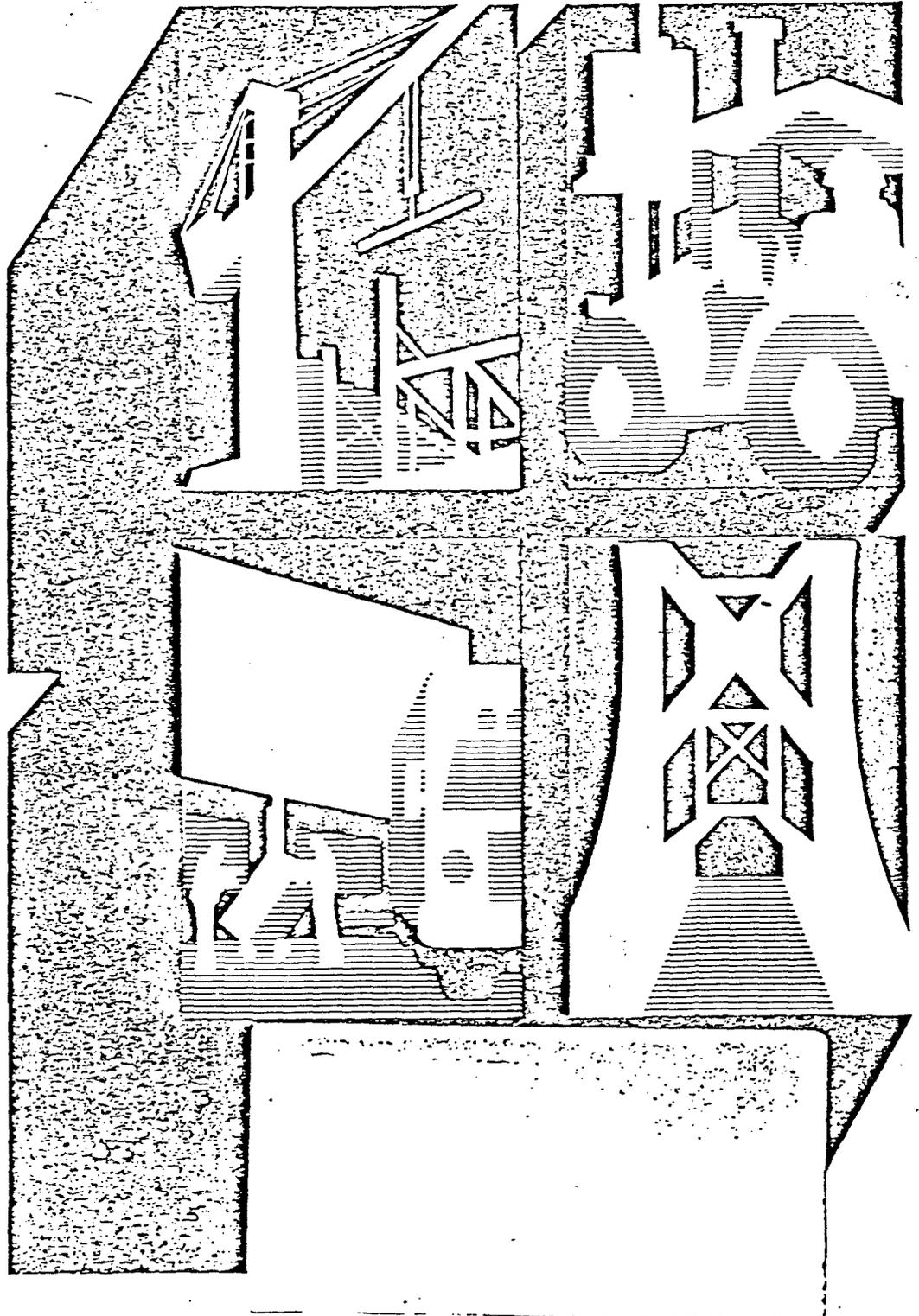
My commission expires

My Commission Expires Jan. 27, 1985

INLAND FLOATER POLICY

 U.S. Insurance Group
a Crum and Forster organization

PROPERTY
COVERAGE



United States Fire Insurance Company
A New York Corporation
Home Office: New York, N.Y.

International Insurance Company
An Illinois Corporation
Home Office: Chicago, Illinois

Westchester Fire Insurance Company
A New York Corporation
Home Office: New York, N.Y.

The North River Insurance Company
A New Jersey Corporation
Home Office: Township of Morris, N.J.



U.S. Insurance Group

a Crum and Forster organization

THE COMPANY NAMED ON THE DECLARATION PAGE

(Each a Capital Stock Company)

INLAND
FLOATER
POLICY
PROVISIONS
PART ONE

Agrees with the Insured as provided in the declarations made a part hereof, subject to all the terms and conditions of this policy:

Conditions

- 1. Misrepresentation and Fraud.** This entire policy shall be void if, whether before or after a loss, the Insured has concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof, or the interest of the Insured therein, or in case of any fraud or false swearing by the Insured relating thereto.
- 2. Infidelity.** This policy does not insure against loss or damage caused by misappropriation, secretion, conversion, infidelity or any dishonest act on the part of the Insured or other party of interest, his or their employees or agents or others to whom the property may be entrusted (carriers for hire excepted).
- 3. Notice of Loss.** The Insured shall as soon as practicable ~~write~~ ^{telex} in writing to the Company or its agent every loss, damage or occurrence which may give rise to a claim under this policy and shall also file with the Company or its agent within ninety (90) days from date of discovery of such loss, damage or occurrence, a detailed sworn proof of loss.
- 4. Examination Under Oath.** The Insured, as often as may be reasonably required, shall exhibit to any person designated by the Company all that remains of any property herein described, and shall submit, and in so far as is within his or their power cause his or their employees, members of the household and others to submit to examinations under oath by any person named by the Company and subscribe the same; and, as often as may be reasonably required, shall produce for examination all writings, books of account, bills, invoices and other vouchers, or certified copies thereof if originals be lost, at such reasonable time and place as may be designated by the Company or its representative, and shall permit extracts and copies thereof to be made. No such examination under oath or examination of books or documents, nor any other act of the Company or any of its employees or representatives in connection with the investigation of any loss or claim hereunder, shall be deemed a waiver of any defense which the Company might otherwise have with respect to any loss or claim, but all such examinations and acts shall be deemed to have been made or done without prejudice to the Company's liability.
- 5. Valuation.** The Company shall not be liable beyond the actual cash value of the property at the time any loss or damage occurs and the loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused, and shall in no event exceed what it would then cost to repair or replace the same with material of like kind and quality.
- 6. Coinsurance.** The Company shall not be liable for a greater proportion of any loss of or damage to the property than the amount insured bears to the aggregate value (as determined by the valuation clause contained in this policy) of said property at all places where coverage is afforded herein at the time such loss shall occur.
- 7. Settlement of Loss.** All adjusted claims shall be paid or made good to the Insured within sixty (60) days after presentation and acceptance of satisfactory proof of interest and loss at the office of the Company. No loss shall be paid or made good if the Insured has collected the same from others.
- 8. No Benefit to Bailee.** This insurance shall in no wise inure directly or indirectly to the benefit of any carrier or other bailee.
- 9. Subrogation or Loan.** If in the event of loss or damage the Insured shall acquire any right of action against any individual, firm or corporation for loss of, or damage to, property covered hereunder, the Insured will, if requested by the Company, assign and transfer such claim or right of action to the Company or, at the Company's option, execute and deliver to the Company the customary form of loan receipt upon receiving an advance of funds in respect of the loss or damage; and will subrogate the Company to, or will hold in trust for the Company, all such rights of action to the extent of the amount paid or advanced, and will permit suit to be brought in the Insured's name under the direction of and at the expense of the Company.
- 10. Reduction in Amount of Insurance.** The amount of insurance and the applicable limit of liability, upon the occurrence of any loss covered hereunder, is reduced by the amount of such loss.
- 11. Pair, Set or Parts.** In the event of loss of or damage to:
 - (a) any article or articles which are a part of a pair or set, the measure of loss of or damage to such article or articles shall be a reasonable and fair proportion of the total value of the pair or set, giving consideration to the importance of said article or articles, but in no event shall such loss or damage be construed to mean total loss of the pair or set; or
 - (b) any part of property covered consisting, when complete for use, of several parts, the Company shall only be liable for the value of the part lost or damaged.
- 12. Protection of Property.** In case of loss, it shall be lawful and necessary for the Insured, his or their factors, servants and assigns, to sue, labor, and travel for, in and about the defense, safeguard and recovery of the property insured hereunder, or any part thereof, without prejudice to this insurance, nor shall the acts of the Insured or the Company, in recovering, saving and preserving the property insured in case of loss be considered a waiver or an acceptance of abandonment. The expenses so incurred shall be borne by the Insured and the Company proportionately to the extent of their respective interests. *amended*
- 13. Suit.** No suit, action or proceeding for the recovery of any claim under this policy shall be sustainable in any court of law or equity unless the same be commenced within twelve (12) months next after discovery by the Insured of the occurrence which gives rise to the claim, provided however, that if by the laws of the State within which this policy is issued such limitation is invalid, then any such claims shall be void unless such action, suit or proceeding be commenced within the shortest limit of time permitted by the law of such State.

SPECIAL ENDORSEMENT ONE

NAME OF INSURED: FUNDING SYSTEMS RAILCARS, INC.
EFFECTIVE DATE OF THIS ENDORSEMENT: November 12, 1982
POLICY: 320 225557 OF International Insurance Company

It is understood and agreed that the following Clauses are hereby made a part of this policy:

NOTICE OF LOSS: The Insured shall report in writing to the Company or its Agent every loss, damage or occurrence which may give rise to a claim under this policy as soon as practical after such notice is received by the Risk Manager and shall also file with the Company or its Agent within ninety (90) days from the date of discovery of such loss, damage or occurrence, the detail sworn proof of loss.

It is understood and agreed that the Parts and equipment of Rolling Stock insured hereunder are covered wherever such parts and equipment may be while the Rolling Stock is undergoing repairs or reconditioning or rebuilding.

It is understood and agreed that the Insured has permission to change the numbering or naming of property insured hereunder provided that a record be kept that will prove the identification of same in case of loss.

It is understood and agreed that any expense incurred by the Insured as a consequence of an accident covered hereunder to clear the lines, to recover, save or preserve the properties insured, exclusive of costs of repairing the tracks or road bed or relating to properties not insured, shall be covered hereunder.

All other terms and conditions remain unchanged.
Attached to and made part of the policy of the Company shown above.

Date of Issue December 6, 1982
EGL/kc


Authorized Representative

COVERAGE FORM

1. A. This policy covers cars or rolling stock described in attached schedules, being the property of the Insured and others as their interests may appear.
- B. Additional cars or rolling stock shall be added on a pro rate basis by Endorsement hereto.
2. This policy insures against: "All Risks" of Physical Loss or Damage from any external cause except as otherwise provided in this form to the insured property, except as hereinafter excluded.
3. This policy does not insure against:
 - A. War Risk as per War Risk Exclusion Endorsement attached hereto;
 - B. Loss or damage or expense to electrical appliances or devices of any kind including wiring, arising from electrical injury or disturbances to the said electrical appliances or devices unless fire or an insured accident ensues and then only the direct loss or damage caused by such ensuing fire or insured accident is covered hereunder;
 - C. Loss or damage or expense caused by or resulting from mechanical breakages or structural failures, unless fire or an insured accident ensues and then only the damage caused by the ensuing fire or insured accident is covered hereunder;
 - D. Wear, tear and gradual deterioration;
 - E. Loss or damage or expense caused by or resulting from latent defect, unless fire or other insured accident ensues and then only loss or damage caused by ensuing fire or insured accident is covered hereunder;
 - F. Loss or damage or expense caused by or resulting from neglect of the insured to use reasonable means to save and preserve the property at the time of and after any loss or damage;
 - G. Loss by nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, and whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to or aggravated by the peril(s) insured against in this policy; however, subject to the foregoing and all provisions of this policy, direct loss by fire resulting from nuclear reaction or nuclear radiation or radioactive contamination is insured against by this policy.
 - H. Loss or damage caused by corrosion, rust, extremes of temperature, dampness or atmosphere or freezing.

4. This Company's liability for loss shall be on a replacement cost basis but shall not exceed the smaller of the following amounts:
 - A. The amount shown on the schedules of insured cars for the item(s) destroyed; or
 - B. The amount actually and necessarily expended in repairing or replacing said property or any part thereof.
5. A Deductible of \$1,000. shall apply to all damages as the result of any one occurrence.
6. This insurance covers within and between the forty-eight contiguous states of the United States of America, Alaska, the District of Columbia, the Dominion of Canada and Mexico.
7. Automatic coverage shall apply to newly acquired items for a period of 60 days, within which time the Insured shall give the Company notice of such acquisitions and pay the premium due thereon.
8. Other Insurance: In case other valid and collectible insurance exists on any property hereby insured at the time and place of loss, the insurance under this policy shall be considered as excess insurance and shall not apply or contribute to the payment of any loss until the amount of such other insurance shall have been exhausted; it being understood and agreed that under this policy the Insured is to be reimbursed to the extent of the difference between the amount collectible from other insurance and the amount of actual loss otherwise collectible hereunder.
9. Abandonment: There can be no abandonment to the Company of any property.
10. Impairment of Recovery: It is a condition of this insurance that the Insured has not and will not enter into any special agreement releasing or limiting the liability of any bailee or carrier unless such agreement is specifically reported to the Company and consent thereto endorsed hereon by the Company.
11. It is warranted that the Insured hereunder holds no agreement and will not enter into any agreement with any railway company, transportation company, corporation, concern or individual to relieve them from any liability which the law or custom may impose upon them for the safe return of said cars when entrusted to their custody or control. It is further warranted that the Insured will not enter into any agreement waiving his rights of subrogation against railroad companies. Notwithstanding the foregoing, should the Company be successful in subrogating against either the Upper Merion and Plymouth Railroad or the Wisconsin and Southern Railroad for a claim made by the Insured under this policy and should there be in effect at the time of the occurrence creating such claim a contract between the Insured and said railroad requiring the Insured to reimburse said railroad for all or a portion of the railroad's actual loss due to such subrogation, then the Company

shall be liable to the Insured for the amount paid, or payable, to the railroad by the Insured under the terms of such contract. **SEE BELOW

12. All records of the Insured pertaining to the property insured hereunder and values thereof shall at any reasonable time be open to the inspection of duly authorized representative of this Company.
13. Subject to a maximum limit of liability of \$100,000., this Company agrees to indemnify the Insured for loss when such loss occurs through error or accidental omission on the part of the Insured in the operation of the Insured's customary procedure for reporting property to be insured. All other terms and conditions of this policy apply to this coverage.
14. In the event that a claim is presented under this policy there shall be no liability for such claim unless or until all parties against whom the Company may reasonably be expected to have right of subrogation have been put on notice of the Company's interest in such right, with instructions that the Company shall be included as a loss payee upon any payments made and such notice has been acknowledged by such parties.

**But only to an amount not exceeding Twenty-Five Thousand Dollars (\$25,000.) for each such occurrence.