

Greenville Steel Car Company

SUBSIDIARY OF AMPCO-PITTSBURGH CORPORATION

GREENVILLE, PENNSYLVANIA 16125

TELEPHONE 412-588-7000

May 5, 1980

L. O. RICHARDS, JR.
Treasurer

R. L. JOHNSON
Assistant Treasurer
and Assistant Secretary

RECORDATION NO. **11763** Filed 1425 No. ~~1277884~~
MAY 6 1980 - 10 05 AM Date MAY 6 1980
Fee \$ 50.00

Secretary
Interstate Commerce Commission
Washington, D. C. 20423 INTERSTATE COMMERCE COMMISSION

ICC Washington, D. C.

Dear Sir:

Enclosed are six (6) executed counterparts of a Lease Agreement dated April 1, 1980 between Greenville Steel Car Company (Greenlease Company Division) and LEF&C Leasing Company, Incorporated.

Lessor - Greenville Steel Car Company
(Greenlease Company Division)
Greenville, Pennsylvania 16125

Lessee - LEF&C Leasing Company, Incorporated
P. O. Box 430
Clarion, Pennsylvania 16214

Equipment - 35 All Steel 100-Ton Triple Hopper Cars,
Road Nos. LEF 4081 to 4115 inclusive

Enclosed is check for \$50 covering the filing fee.

Four (4) original recorded counterparts should be returned to:

Mrs. Nancy Clayton
Reed Smith Shaw & McClay
1150 Connecticut Avenue, NW - Suite 900
Washington, D. C. 20036

The undersigned is an executive officer of Greenville Steel Car Company, one of the parties to the Lease Agreement, having knowledge of the matters set forth herein.

Very truly yours,

R. L. Johnson
R. L. Johnson
Assistant Treasurer

RLJ/ss

Enclosures

RECEIVED
MAY 6 10 00 AM '80
I.C.C.
FEE OPERATION BR.

Richard King
R. L. Johnson

Interstate Commerce Commission
Washington, D.C. 20423

5/6/80

OFFICE OF THE SECRETARY

Mrs. Nancy Clayton
Reed Smith Shaw & McClay
1110 Connecticut Ave., N.W. Suite 900
Washington, D.C. 20036

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 5/6/80 at 10:00am, and assigned re-
recording number(s). 11705

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

11763

RECORDATION NO. Filed 1425

MAY 6 1980 - 10 03 AM

INTERSTATE COMMERCE COMMISSION

LEASE OF RAILROAD EQUIPMENT dated as of April 1, 1980, between GREENVILLE STEEL CAR COMPANY (GREENLEASE COMPANY DIVISION), a Pennsylvania Corporation (the "Lessor"), and LEF&C LEASING COMPANY INCORPORATED, a Pennsylvania Corporation (the "Lessee").

WHEREAS, the Lessee desires to lease certain railroad freight train cars from the Lessor and to sublet the said cars to the Lake Erie, Franklin & Clarion Railroad Company (the "Sublessee"); and

WHEREAS, the Lessor is willing to build the said cars and to lease them to the Lessee for sublease to the Sublessee pursuant to a sublease dated as of February 1, 1979 between the Lessee and the Sublessee (the "Sublease");

NOW, THEREFORE, in consideration of the agreements hereinafter set forth,

1. Lessor hereby leases to Lessee, and Lessee hereby rents and hires from Lessor the following described railroad freight train cars (hereinafter called the "Cars") for the term and at the monthly rental charges and upon the other terms and conditions set forth herein:

<u>No. of Cars</u>	<u>Specifications</u>	<u>Description</u>
35	GSC Co. H-30138 dated 4/26/79 AAR Mechanical Designation - HT	All Steel 100-Ton Triple Hopper Cars; Road Nos. LEF 4081-4115 inclusive

The Cars will be delivered to Lessee f.o.b. tracks of Lessor at Greenville, Pennsylvania during the month of May, 1980.

Lessor's obligation as to delivery of Cars shall be subject to delays due to labor trouble, fires, governmental regulations, accidents, acts of God, shortage of or inability to obtain materials, delays of carriers or subcontractors, or other causes beyond the reasonable control of Lessor.

2. (a) The period from the date of delivery of the first Car hereunder until the last day of the calendar month in which delivery of the last Car is completed is herein referred to as the "Interim Term" of the Lease. The "Principal Term" of the Lease shall commence on the first day after the Interim Term and shall extend for a period of fifteen (15) years.

(b) During the Interim Term, Lessee will pay to Lessor and interim rental for the Cars at the rate of \$450.00 per month per Car (which shall be prorated for less than whole months) from and including the date of delivery of each Car to and including the last day of the Interim Term. The interim rental shall be paid on the first day of the Principal Term at the office of Lessor in Greenville, Pennsylvania.

(c) During the Principal Term, and until each Car is returned to Lessor as hereinafter provided, Lessee will pay to Lessor

rent for the Cars, except as otherwise specified herein, at the rate of \$450.00 per Car per month. Rent shall be paid at Lessor's office in Greenville, Pennsylvania, in advance on the first day of each month during the Principal Term, and shall be prorated for less than whole months.

3. Any demurrage, track storage or detention charge imposed in connection with any Car after delivery thereof to Lessee shall be the liability of Lessee.

4. Prior to delivery of any Car, there shall be permanently and conspicuously stenciled on each side of such Car the following words (with proper changes as from time to time may be required and requested by Lessor or any assignee to protect the interest of Lessor or any assignee of Lessor), in letters at least one inch high:

GREENLEASE COMPANY, A DIVISION OF
GREENVILLE STEEL CAR COMPANY, OWNER AND LESSOR

If any such stencil shall at any time be removed, defaced or destroyed, Lessee shall immediately cause it to be restored or replaced at Lessee's cost. Any assignee of Lessor's interest under this Lease may, at such assignee's cost, require new or changed stencils to be placed on the Cars disclosing its interest and title in the Cars, and Lessee shall maintain the same thereafter at its own cost as above provided. Lessee may cause the Cars to be lettered in any manner desired for identification of its leasehold interest therein, but no Car shall be marked or lettered in a manner which might reasonably be interpreted as a claim of ownership by Lessee or anyone other than Lessor, or in a

manner which is contrary to common industry practice for such equipment as if it were leased directly to the sublessee. Before delivery, Lessor will cause each Car to be marked with Sublessee's road numbers LEF 4081-4115, inclusive. Such road numbers shall not be changed except by Lessor or with Lessor's written consent.

5. In the event of the loss or destruction of any Car from any cause whatever ("Casualty Car") during the term of the lease, Lessee shall promptly give notice thereof to Lessor and within 90 days after the date of such notice shall pay Lessor as full compensation for the loss or destruction of such Car the reproduction cost settlement value of such Car (including the value of the scrap and reusable parts) as set forth in the Interchange Rules of the Association of American Railroads, Operations and Maintenance Department, Mechanical Division (or other similar rules which may be changed or established in the future). Upon receipt of such notice by Lessor, unless an event of default hereunder on the part of the Lessee shall have occurred and be continuing, all scrap, salvage, property and all rights in any way relating to such Casualty Car shall become Lessee's property, free and clear of this Lease, and Lessor or any assignee shall execute all documents required to clear title to said property, and all rentals due under this lease shall cease to accrue.

6. Whenever requested by Lessor, but not more often than once in each year during the term hereof, Lessee shall deliver to Lessor a certificate, signed by an executive officer of Lessee, accurately listing and identifying by road numbers the Cars at the time leased hereunder, and showing in particular (A) the Cars then in actual service, (B) the numbers and identification of all Cars that have been

lost, damaged or destroyed or that have for any other reason become unserviceable and (C) the numbers and identification of all Cars that are then undergoing repairs or are then withdrawn from use for repairs. Such certificate shall also contain a statement that the Lessee is in compliance with the provisions of Paragraph 4 hereof. Lessor shall have the right, by its agents, to inspect the Cars at any time and from time to time during the term hereof; and to assure the convenient exercise of such right by Lessor, Lessee shall, when so requested, inform Lessor of the whereabouts of the Cars or any of them as promptly as the whereabouts can be determined.

7. Lessee shall pay or cause to be paid any and all taxes (including, without limitation, gross receipts taxes, but excluding state or federal income taxes imposed upon Lessor) and all other governmental levies or charges lawfully imposed upon or measured by this Lease or any assignment hereof or upon or by any sale, use, operation, payment, shipment, delivery or transfer of title of the Cars under the terms hereof or upon or by any or all the Cars or the interest of Lessee or Sublessee therein, which Lessor may be legally obligated to pay. Lessee will keep at all times all the Cars free of all taxes and assessments which might in any way affect the title of Lessor thereto or result in a lien upon any of the Cars. Lessee will pay or satisfy and discharge any and all sums claimed by any party by, through or under Lessee or its successors or assigns which, if unpaid, might become a lien or a charge upon the Cars equal or superior to the title of Lessor thereto, but shall not be required to pay or satisfy and discharge any such claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings in any reasonable manner

which will not affect the title of Lessor in and to the Cars.

8. (a) Lessor warrants that on the date of delivery of each Car to Lessee hereunder such Car will comply with the Rules of Interchange of the Association of American Railroads (or any successor thereto) and with all applicable governmental laws, regulations and requirements and will be built in accordance with the Specifications referred to in Paragraph 1 above, free from defects in material and workmanship under normal interchange use and service, except as to items specified by Lessee and not manufactured by Lessor or which are furnished or supplied by Lessee. Lessor's obligation under this subparagraph (a) with respect to any Car shall be limited to repairing or replacing at its manufacturing plant at Greenville, Pennsylvania, any part or parts of such Car which shall, within one year or 50,000 miles, whichever occurs first, after delivery of such Car, be returned to Lessor with transportation charges prepaid and which Lessor's examination shall disclose to its reasonable satisfaction to have been thus defective. Lessor shall not be liable for indirect or consequential damage resulting from defects in material, design, construction or workmanship. THIS WARRANTY IS EXCLUSIVE AND EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, WHETHER WRITTEN, ORAL, EXPRESS OR IMPLIED (INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE), AND OF ALL OTHER OBLIGATIONS OR LIABILITIES ON THE PART OF LESSOR, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS LEASE, AND LESSOR NEITHER ASSUMES NOR AUTHORIZES ANY PERSON TO ASSUME FOR IT ANY OTHER LIABILITY IN CONNECTION WITH THE CONSTRUCTION AND DELIVERY OF THE CARS EXCEPT AS AFORESAID. Such warranty shall survive the delivery to and acceptance of the Cars by Lessee.

(b) Except for items covered under Paragraph 8 (a) hereof, during the term hereof, Lessee, at its own cost and expense, will repair and maintain or cause to be repaired and maintained the Cars in serviceable operating condition in accordance with the Rules of Interchange of the Association of American Railroads (or any successor thereto), and will comply with all governmental laws, regulations and requirements and with said Rules of Interchange with respect to the use, maintenance, inspection and operation of the Cars. In case any equipment or appliance on any Car shall be required to be changed or replaced, or in case any additional or other equipment or appliance is required to be installed on any Car in order to comply with such laws, regulations, requirements or Rules, effective after the date of the delivery of such Car, Lessee agrees to make or cause to be made such changes, additions and replacements. Any parts installed or replacements made upon the Cars by Lessee or Sublessee shall be considered accessions to the Cars and title thereto shall be immediately vested in Lessor, without cost or expense to Lessor. Lessee agrees to indemnify and save harmless Lessor against any charge or claim made against Lessor, and against any expense or liability which Lessor may incur by reason of its ownership of the Cars during the term hereof, in any manner arising out of or as a result of the use or operation of the Cars, except for charges or claims arising from Lessor's acts or omissions, and to indemnify and save harmless Lessor against any claim or suit on account of any accident in connection with the operation of the Cars resulting in damage to property of others or injury to any person.

9. So long as Lessee shall not be in default under this Lease, Lessee shall be entitled to the possession of the Cars and shall have the full right to use thereof upon the lines or railroad owned, leased or operated by Sublessee, or over which Sublessee has trackage rights, and upon connecting and other railroads in the usual interchange of freight cars, but subject at all times to all the terms and conditions of this Lease.

10. Except for the Sublease, Lessee shall not transfer or assign this Lease or its interest in any Car without the prior written consent of Lessor, and such interest shall not be assignable or transferable by operation of law, provided that a transfer of Lessee's interest to another corporation, which shall acquire all or substantially all the property of Lessee through purchase, merger or consolidation, which corporation shall assume in writing to Lessor all obligations of Lessee hereunder, shall not be deemed a breach of this provision.

11. (a) Lessor may assign or mortgage all its right, title and interest in and to each of the Cars and/or all moneys payable to Lessor hereunder so long as the assignment or mortgage recognizes Lessee's right to continued and uninterrupted possession of the Cars upon compliance with the terms of this Lease. All of the provisions of this Lease for the benefit of Lessor shall inure to the benefit of and may be exercised by or on behalf of such assignee or mortgagee. All rental payments due and to become due under this Lease and so assigned or mortgaged shall if directed by Lessor by a notice to Lessee be paid directly to such assignee or mortgagee. The right of any such

assignee or mortgagee to the payment of assigned rentals hereunder shall not be subject to any defense, counterclaim or set off which Lessee may have against Lessor.

(b) Lessor may also sell, assign and transfer all its right, title and interest in and to each of the Cars, and under this Lease, to another corporation, whether by written instrument or by operation of law, if such other corporation acquires all or substantially all the property of Lessor through purchase, liquidation, merger or consolidation, and assumes in writing to Lessee all obligations of Lessor hereunder.

(c) Lessor will keep the Cars free of all liens and encumbrances (except a lien given to an assignee or mortgagee as herein authorized), will not sell, assign, lease or otherwise dispose of the same (except as herein authorized), and will do nothing to disturb Lessee's full right of possession and enjoyment and the exercise of all Lessee's rights with respect thereto as provided by this Lease.

(d) Lessor warrants that the Cars will be free from any defect in title which would affect or interfere with the continuous and uninterrupted possession and enjoyment of the Cars by Lessee during the term hereof, and Lessor will indemnify, protect and defend Lessee against all liabilities, damages and expenses arising out of any such interference.

(e) Lessor will indemnify, protect and defend Lessee against all liabilities and expenses that may arise out of charges of infringement of any patent alleged to cover any article, material or

design employed in the construction of the Cars except that with respect to any article, material or design which is specified by Lessee and not manufactured by Lessor or which is furnished or supplied by Lessee, Lessee will in like manner protect and defend Lessor from all such liabilities and expenses. Each party hereto will give notice to the other of any claim known to the former from which liability may be charged against the other hereunder.

(f) Lessor will give Lessee full opportunity to inspect the Cars at all reasonable times during construction thereof at Lessor's manufacturing plant at Greenville, Pennsylvania. Lessee will arrange for final inspection of each Car at Lessor's manufacturing plant without delay after the completion thereof, and Lessee's representative or agent will execute and deliver to Lessor the usual form of inspection and acceptance certificate, which form is attached hereto as Appendix I, covering all Cars found to be completed in accordance with the Specifications. Each inspection and acceptance certificate, with respect to the Cars covered thereby, shall be final and conclusive evidence that such Cars conform in workmanship, material, design and construction and in all other respects to the Specifications, except that the giving of such certificate shall not preclude Lessee from asserting any claim against Lessor for breach of the warranty set forth in Paragraph 8 (a) hereof.

12. The time of payment of rentals is of the essence of this Lease. If, during the continuance of this Lease, one or more of the following events (each such event being hereinafter called an "Event of Default") shall occur:

(a) Lessee shall fail to carry out and perform any of its obligations hereunder including the payment of rentals or any other payments hereunder, and such default shall continue for ten (10) days after written notice of same by Lessor to Lessee;

(b) A petition for reorganization under Title 11 of the United States Code (as now or hereafter constituted), shall be filed by or against the Lessee and, unless such petition shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Lessee under this Lease shall not have been and shall not continue to have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed (whether or not subject to ratification) in such proceedings in such manner that such obligations shall have the same status as expenses of administration and obligations incurred by such trustee or trustees, within 60 days after such petition shall have been filed and otherwise in accordance with the provisions of 11 U. S. C. Section 1168, or any successor provision, as the same may hereafter be amended; or

(c) Any other proceeding shall be commenced by or against the Lessee for any relief which includes, or might result in, any modification of the obligations of the Lessee hereunder, under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustments of the obligations of the Lessee hereunder), and, unless

such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Lessee under this Lease shall not have been and shall not continue to have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed (whether or not subject to ratification) for the Lessee, or for the property of the Lessee, in connection with any such proceedings in such manner that such obligations shall have the same status as expenses of administration and obligations incurred by such trustee or trustees or receiver or receivers, within 60 days after such proceedings shall have been commenced;

then and in any of said events Lessor, at its option, may:

(i) Proceed by appropriate court action or actions either by law or in equity to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof including net aftertax losses of Federal and state income tax benefits to which the Lessor would otherwise be entitled under this Lease; or

(ii) By notice in writing to the Lessee terminate this Lease, whereupon all rights of the Lessee to the use of the Cars shall absolutely cease and terminate as though this Lease had never been made, but the Lessee shall remain liable as herein provided; and thereupon the Lessor may by its agents, subject to compliance with all mandatory requirements of law, enter upon the premises of the Lessee or other premises where any of the Cars may be and take possession of

all or any such Cars and thenceforth hold, possess, sell, operate, lease to others and enjoy the same free from any right of the Lessee, or its successors or assigns, to use the Cars for any purposes whatever and without any duty to account to the Lessee for such action or inaction or for any proceeds arising therefrom; but the Lessor shall, nevertheless, have a right to recover from the Lessee any and all amounts which under the terms of this Lease may be then due or which may have accrued to the date of such termination and also to recover forthwith from the Lessee as damages for loss of the bargain and not as a penalty the following amount: a sum, with respect to each Car, equal to:

A. The excess of the present value, at the time of such termination, of the entire unpaid balance of all rental for such Car which would otherwise have accrued hereunder from the date of such termination to the end of the term of this Lease as to such Car over the then present value of the rental which the Lessor reasonably estimates to be obtainable for the Car during such period, such present values to be computed at a 10% discount rate, (the bases for such estimates to be disclosed to the Lessee and subject to review by the Lessee) plus

B. An amount which, after deduction of all taxes required to be paid by the Lessor in respect of the receipt thereof under the laws of any Federal, state or local government or taxing authority of the United States of America or under the laws of any taxing authority or governmental subdivision of a foreign country, shall, in the reasonable opinion of the Lessor (the bases for such tax

estimates to be disclosed to the Lessee and subject to review by the Lessee), be equal to all or such portion of the investment credit, lost, not claimed, not available for claim, disallowed or recaptured by or from the Lessor as a direct or indirect result of the breach of one or more of the covenants made by Lessee or the sale or other disposition of the Lessor's interest in any Car after the occurrence of an Event of Default, plus such sum as shall cause the Lessor's net return under this Lease to be equal to the net return that would have been available to the Lessor if it had been entitled to utilization of all or such portion of the deductions with respect to depreciation and interest, which were lost, not claimed, not available for claim or disallowed or recaptured in respect of a Car as a direct or indirect result of the breach of one or more of the covenants made by the Lessee in this Lease, the termination of this Lease, the Lessee's loss of the right to use such Car, any action or inaction by the Lessee or the sale or other disposition of the Lessor's interest in such Car after the occurrence of an Event of Default plus such sum as will pay or reimburse the Lessor for any interest, penalties or additions to tax incurred in connection with such loss, failure to claim, inability to claim, disallowance or recapture. The aforesaid remedies of Lessor shall not be deemed exclusive, but shall be cumulative and in addition to all other rights and remedies given or provided by law or in equity.

13. If Lessor fails to carry out and perform any of its obligations hereunder and such default shall continue for ten (10) days after written notice of same by Lessee to Lessor, or if there shall be filed by or against Lessor a petition in bankruptcy or for reorganization under any bankruptcy law or there shall be a trustee or

receiver appointed of any part of Lessor's property, or if Lessor becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, then and in any of said events Lessee, at its election, (a) may terminate this Lease and purchase all Cars leased hereunder upon payment of the amount which would be payable under Paragraph 5 hereof if the Cars had been lost or destroyed, or (b) may continue rental payments until the expiration of the term of lease for each such Car, with the sole and exclusive right of possession thereto. Each Car shall, upon full payment under option (a), become Lessee's property without further payment or cost. In such event, Lessor shall execute such assignment or other document as may be required to transfer all its right, title and interest therein to Lessee. The aforesaid remedies of Lessee shall not be deemed exclusive, but shall be cumulative and in addition to all other rights and remedies given or provided by law or in equity.

14. Unless an Event of Default hereunder on the part of Lessee shall have occurred and be continuing, Lessee, by written notice to Lessor given not less than six (6) months prior to the expiration of the Principal Term hereof, may extend the term hereof with reference to all or any number less than all of the Cars to be specified in such notice, and the Lease shall thereupon continue from year to year thereafter with respect to such Cars until terminated by either party upon 60 days' notice prior to the end of any such year. Any such extension shall be upon all of the terms, provisions and conditions hereof, except that the monthly rental per Car shall be the current Fair Market Rental Value at the beginning of the first such extension. Fair Market Rental Value shall be determined on the basis of, and shall be equal in

amount to, the rental which would obtain in an arm's length transaction between an informed and willing lessee-user (other than a lessee currently in possession) and an informed and willing lessor under no compulsion to lease, and in such determination, costs of removal from the location of current use shall not be a deduction from such rental. If on or before four (4) months prior to the expiration of the Principal Term of this Lease, the Lessor and the Lessee are unable to agree upon a determination of the Fair Market Rental Value of the Units, such value shall be determined in accordance with the foregoing definitions by a qualified independent Appraiser. The term Appraiser shall mean such independent appraiser as the Lessor and the Lessee may mutually agree upon, or, failing such agreement, a panel of three independent appraisers, one of whom shall be selected by the Lessor, the second by the Lessee and the third designated by the first two so selected, or if they cannot agree, by the District Court of the United States for the Western District of Pennsylvania. The Appraiser(s) shall be instructed to make such determination within a period of thirty (30) days following appointment, and shall promptly communicate such determination in writing to the Lessor and the Lessee. Should Lessee fail to appoint an Appraiser within ninety (90) days prior to the expiration of the Principal Term of this Lease, the option to extend the term of this Lease shall be cancelled. Should the Lessee fail to accept in writing the determination of the Fair Market Rental Value within thirty (30) days following submission of the same by the Appraiser(s), the option to extend the term of the Lease shall be deemed cancelled and the expenses and fees of the Appraiser(s) shall be borne by the Lessee. Otherwise, the determination of the Appraiser(s) so made shall be conclusively binding to both Lessor and Lessee, and

the expenses and fees of the Appraiser(s) shall be borne equally by the Lessor and the Lessee.

15. At the end of the term hereof or upon any termination or repossession thereof pursuant to Paragraph 12 hereof, Lessee will, at its own expense, forthwith and in the usual manner and at the usual speed of freight trains, use its best effort to have the Cars drawn to such point or points on the lines of Sublessee as shall reasonably be designated by Lessor and will store the Cars thereat for a period not to exceed thirty (30) days without charge until delivery to Lessor; and Lessee further agrees, at Lessee's expense, upon the request of Lessor or at the end of the thirty (30) days, whichever is sooner, to return the Cars to Lessor at its plant at Greenville, Pennsylvania, or to such other point or points as Lessor may designate provided the expenses of delivery to such point or points in excess of the cost of redelivery at Greenville, Pennsylvania shall be borne by Lessor. The performance of the covenants by Lessee contained in this Paragraph 15 is of the essence of this Lease and it is agreed that on application to any court of equity having jurisdiction in the premises Lessor shall be entitled to a decree against Lessee requiring specific performance thereof.

If, at the end of the term hereof, Lessor scraps the Cars or any of them, and salvages usable components thereof, Lessor shall afford Lessee the first opportunity to purchase such of the salvaged components as it may desire to purchase at a price not in excess of the best offer made to Lessor by another.

16. Prior to the delivery of any of the Cars hereunder,

Lessor will cause this Lease to be filed and recorded with the Interstate Commerce Commission in accordance with 49 U. S. C. Section 11303 in order to publish notice of, and to protect, the title of Lessor to the Cars, and Lessee will from time to time perform any other act required by law, and will execute any and all other and further instruments as shall reasonably be requested by Lessor, to assure such publication and such protection of such title. Lessor shall pay all costs, charges and expenses, including all recording and registration taxes and fees, incident to the filing, registering and/or recording of this Lease and of any instruments of further assurance hereunder.

17. Any notice, demand or other communication hereunder shall be in writing and shall be deemed to have been duly given when personally delivered or deposited in the mail first class postage prepaid (registered or certified, return receipt requested), addressed as follows:

If to Lessor:

Greenville Steel Car Company
(Greenlease Company Division)
Greenville, Pennsylvania 16125

If to Lessee:

LEF&C Leasing Company Incorporated
P. O. Box 430
Clarion, Pennsylvania 16214

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

18. This Lease may be simultaneously executed in two or more

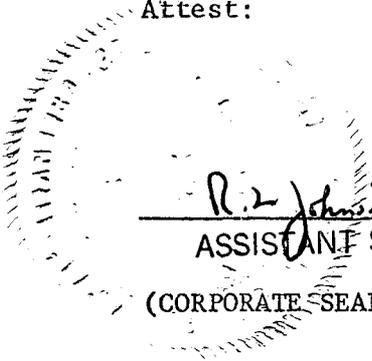
counterparts, each of which so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same Lease, which shall be sufficiently evidenced by any such original counterpart.

19. This Lease and all rights and obligations hereunder shall be construed and enforced in accordance with and governed by the laws of the Commonwealth of Pennsylvania, except that the parties shall be entitled to all rights conferred by 49 U. S. C. Section 11303. Subject to the limitations on assignment contained herein, this Lease shall be binding upon and shall inure to the benefit of the parties hereto and their successors and assigns.

WITNESS the due execution hereof as of the day and year first set forth above.

Attest:

GREENVILLE STEEL CAR COMPANY
(GREENLEASE COMPANY DIVISION)
(Lessor)


R. L. Johnson

ASSISTANT SECRETARY

(CORPORATE SEAL)

By

C. F. January

Pres

Attest:

LEF&C LEASING COMPANY INCORPORATED
(Lessee)


Joseph L. Hartle

Vice President &
Asst. Secy.
(CORPORATE SEAL)

By

Jay F. Miller

Pres.

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF MERCER)

On this 2nd day of May, 1980, before me personally appeared A. F. Sarosdy, to me personally known, who being by me duly sworn, says that he is the President of Greenville Steel Car Company (Greenlease Company Division), a Pennsylvania 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 he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

(NOTARIAL SEAL)

My Commission Expires:

Leora Smith

Notary Public

LEORA SMITH, Notary Public

GREENVILLE, MERCER COUNTY

My Commission Expires Feb 23, 1981

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF CLARION)

On this 2nd day of May, 1980, before me personally appeared Jay F. Miller, to me personally known, who being by me duly sworn, says that he is the President of LEF&C Leasing Company Incorporated, a Pennsylvania 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 he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Marilyn L. Smerkar
Notary Public

(NOTARIAL SEAL)

My Commission Expires:

MARILYN L. SMERKAR, NOTARY PUBLIC
ELK TWP., CLARION COUNTY
MY COMMISSION EXPIRES APR. 2, 1983
Member, Pennsylvania Association of Notaries

