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1-606-0348

RECORDATION NO 16311 FILED 1425

APR 27 1989 -8 35 AM

INTERSTATE COMMERCE COMMISSION

Date 4/27/89
Fee $ 13

ICC Washington, D. C.

April 26, 1989

Trailer Train Company
Equipment Trust Financing
Dated as of April 15, 1989
$18,800,000 Aggregate Principal Amount
Equipment Trust Certificates No. 48, Series B

Dear Ms. McGee:

We are enclosing on behalf of Trailer Train Company executed counterparts of the Equipment Trust Agreement dated as of April 15, 1989, relating to the issuance of Equipment Trust Certificates, No. 48, Series B, for recordation pursuant to 49 U.S.C. § 11303.

The parties to the enclosed agreement are:

Trustee-Lessor
Mercantile-Safe Deposit and Trust Company
Two Hopkins Plaza
Baltimore, Maryland 21201

Company-Lessee
Trailer Train Company
101 North Wacker Drive
Chicago, Illinois 60606

The equipment covered by the aforementioned agreement appears in Exhibit A attached hereto and also bearing the legend "Ownership Subject to a Security Agreement filed with the Interstate Commerce Commission".

Enclosed is our check for $13 for the required fee. Please accept for recordation one counterpart of the enclosed Agreement, stamp the remaining counterparts with your recordation number and return them to the delivering messenger along with your fee receipt, addressed to the undersigned.

Very truly yours,

Laurance V. Goodrich

Laurance V. Goodrich

Noreta R. McGee, Secretary,
Interstate Commerce Commission,
Washington, D.C. 20423

Encls.

TRAILER TRAIN COMPANY
SCHEDULE I TO EQUIPMENT TRUST SERIES 48-B

Builder/Car Type	Contract No.	Number of Cars	Car Numbers (Inclusive)	Estimated Unit Price	Total	Estimated Month of Delivery
BETHLEHEM STEEL CORP.:						
89'4" Flush deck low level autorack flatcars - ETTX	T-3088-B	500	701131-701630	$ 47,360	$23,680,000	Feb. - May, 1989

T-53-B

April 13, 1989

Exhibit A

16311
RECORDATION NO _____ FILED 1425
APR 27 1989 -8 35 AM
INTERSTATE COMMERCE COMMISSION

[CS&M Ref: 4020-130]

TRAILER TRAIN COMPANY
EQUIPMENT TRUST

Equipment Trust No. 48, Series B

EQUIPMENT TRUST AGREEMENT B

between

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY,
Trustee,

and

TRAILER TRAIN COMPANY

Dated as of April 15, 1989

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EQUIPMENT TRUST AGREEMENT B dated as of April 15, 1989, between MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, a Maryland banking corporation ("Trustee"), and TRAILER TRAIN COMPANY, a Delaware corporation ("Company").

WHEREAS the Company has agreed to cause to be sold, transferred and delivered to the Trustee the railroad equipment described herein;

WHEREAS the Company and the manufacturers of the railroad equipment described herein have entered into agreements (collectively "Manufacturing Agreement") providing for the purchase of such railroad equipment by the Company;

WHEREAS title to such railroad equipment is to be vested in and is to be retained by the Trustee, and such railroad equipment is to be leased to the Company hereunder until title is transferred under the provisions hereof;

WHEREAS Trailer Train Company Equipment Certificates, Equipment Trust No. 48 Series B ("Certificates"), are to be issued and sold in an aggregate principal amount not exceeding $20,680,000;

WHEREAS the Certificates shall be in the form of the Certificate hereinafter set forth and the proceeds of the issuance thereof are to be deposited with the Trustee to constitute a fund, to be known as TRAILER TRAIN COMPANY EQUIPMENT TRUST NO. 48, SERIES B, to be applied by the Trustee in payment of the Cost of the Trust Equipment (as defined in Section 2.01), the remainder of the Cost thereof to be paid out of advance rentals to be paid by the Company as provided herein; and

WHEREAS it is desired to secure to the holders of the Certificates the payment of the principal thereof and premium, if any, and interest thereon as hereinafter provided;

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, the parties hereto hereby agree as follows:

ARTICLE ONE

Form of Certificate
and Guarantee

SECTION 1.01. Form of Certificate. The Certificates and the guarantee to be endorsed thereon by the Company are to be substantially in the following forms, respectively:

[FORM OF TRUST CERTIFICATE]

THIS CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933.

$ PPN: No. B-

TRAILER TRAIN COMPANY

EQUIPMENT TRUST CERTIFICATE
Equipment Trust No. 48, Series B
Total Authorized Issue $20,680,000

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, Trustee ("Trustee"), under an Equipment Trust Agreement B ("Agreement") dated as of April 15, 1989, between the Trustee and TRAILER TRAIN COMPANY, a Delaware corporation ("Company"), hereby certifies that

or registered assigns, is entitled to an interest in the principal amount of $ in Trailer Train Company Equipment Trust No. 48, Series B, due and payable in installments as hereinafter provided, and to interest on the unpaid principal amount represented by this Certificate due and payable semiannually on May 1 and November 1 in each year, commencing on November 1, 1989 at the rate of 10.30% per annum from the date hereof until such principal amount becomes due and payable, with interest on any overdue installment of principal, premium, if any, and interest, to the extent legally enforceable, at a rate equal to 1% per

annum above the interest rate specified above. Payments of installments of principal, premium, if any, and interest shall be made by the Trustee to the registered holder hereof at the corporate trust office of the Trustee in Baltimore, Maryland, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. The Trustee will, subject to timely receipt of the rental payments, mail its check, or on request of the holder the Trustee will wire funds immediately available on such date, to the account of such registered holder at such bank as it may designate by notice in writing to the Trustee, in the case of wire transfers, and in all other cases, to such registered holder at his address shown on the registry books maintained by the Trustee. Each such payment shall be made only from and out of rentals or other moneys received by the Trustee and applicable to such payment under the provisions of the Agreement. This Certificate is prepayable out of any Deposited Cash (as defined in the Agreement) held by the Trustee and not applied to the cost of railroad equipment to be subject to the trust created by the Agreement or, at the option of the Company, out of moneys deposited in respect of Casualty Occurrences (as defined in the Agreement). Any such prepayment of this Certificate shall be at 100% of the principal amount hereof to be prepaid, together with interest accrued to the date fixed for prepayment. In addition, at the option of the Company, this Certificate is prepayable in whole or in part on and after May 1, 1994, and (i) before May 1, 2001, at 100% of the principal amount thereof to be prepaid plus accrued interest plus the Make Whole Premium (as defined in the Agreement) and (ii) on or after May 1, 2001, at 100% of the principal amount thereof to be prepaid plus accrued interest but without premium, and any such prepayment in part shall be applied pro rata to all remaining installments of principal. The remaining principal amount of this Certificate is due and payable in 15 substantially equal annual installments on May 1 in each year from May 1, 1990, through May 1, 2004, both inclusive. Interest shall be computed hereunder on the basis of a 360- day year of twelve 30-day months.

This Certificate is one of an authorized issue of Certificates in an aggregate principal amount not exceeding the Total Authorized Issue set forth above, and issued or to be issued under the Agreement under which certain railroad equipment leased to the Company (or cash or obligations defined in the Agreement as "Investments" in lieu thereof, as provided in the Agreement) is held by the Trustee in trust for the equal and ratable benefit of the holders of

the Certificates issued thereunder. Reference is made to the Agreement (a copy of which is on file with the Trustee at its said office) for a more complete statement of the terms and provisions thereof, to all of which the registered holder hereof, by accepting this Certificate, assents.

The registered holder hereof has represented that it has acquired this Certificate for investment and not for resale, but subject, nevertheless, to any requirement that the disposition of its property shall at all times be within its control. This Certificate has not been registered under the Securities Act of 1933, and may not be sold, transferred, pledged or hypothecated except in compliance with said Act.

Subject to the preceding paragraph and the provisions of Section 3.03 of the Agreement, this Certificate is transferable in whole or in part by the registered holder hereof in person or by duly authorized attorney on the books of the Trustee upon surrender to the Trustee, at its office, of this Certificate accompanied by a written instrument of transfer, duly executed by the registered holder in person or by such attorney, in form satisfactory to the Trustee, and thereupon a new fully registered Certificate or Certificates for the then unpaid aggregate principal amount hereof (and payable as herein provided) will be issued to the transferee in exchange herefor and, if less than the entire unpaid principal amount hereof is transferred, a balance piece therefor will be issued to the transferor. Prior to due presentment for registration of transfer, the Trustee and the Company may deem and treat the person in whose name this Certificate is registered as the absolute owner hereof for the purpose of receiving payment of principal, premium, if any, and interest, if any, and for all purposes and shall not be affected by any notice to the contrary.

In case of the happening of an Event of Default (as defined in the Agreement) all installments of principal, premium, if any, and interest accrued thereon represented by this Certificate may become or be declared due and payable in the manner and with the effect provided in the Agreement.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be signed by one of its Vice Presidents or Assistant Vice Presidents, by his or her signature or a

facsimile thereof, and its corporate seal or facsimile thereof to be hereunto affixed or hereon imprinted and to be attested by one of its Authorized Officers by his or her signature.

Dated as of

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, Trustee,

by

_____
Vice President

Attest:

_____
Authorized Officer

[FORM OF GUARANTEE]

GUARANTEE

Trailer Train Company, for a valuable consideration, hereby unconditionally guarantees to the registered holder of the within Certificate the prompt payment when due of the principal of said Certificate, and of the premium, if any, and interest thereon specified in said Certificate, with interest on any overdue principal, premium, if any, and interest, to the extent legally enforceable, at a rate equal to 1% per annum above the interest rate specified in said Certificate, all in accordance with the terms of said Certificate and the Equipment Trust Agreement referred to therein.

TRAILER TRAIN COMPANY,

by

_____

President

ARTICLE TWO

Definitions

SECTION 2.01. Definitions. The following terms for all purposes of this Agreement shall have the respective meanings hereinafter specified (except as otherwise expressly provided or unless the context otherwise requires):

Affiliate of any corporation shall mean any corporation which, directly or indirectly, controls or is controlled by, or is under common control with, such corporation. For the purposes of this definition, control (including controlled by and under common control with), as used with respect to any corporation, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such corporation, whether through the ownership of voting securities or by contract or otherwise.

Business Days shall mean calendar days, excluding Saturdays, Sundays and any other day on which banking institutions in Baltimore, Maryland, are authorized or obligated to remain closed.

Certificates shall mean the Certificates issued hereunder.

Company shall mean Trailer Train Company, 101 North Wacker Drive, Chicago, Illinois 60606, and any successor or successors to it complying with the provisions of Section 7.04.

Corporate Trust Office shall mean the principal office of the Trustee in Baltimore, Maryland, at which the corporate trust business of the Trustee shall, at the time in question, be administered, which office is, on the date of execution of this Agreement, located at Two Hopkins Plaza, Baltimore, Maryland 21201, the mailing address of which is P. O. Box 2258, Baltimore, Maryland 21203, attention of Corporate Trust Department.

Cost, when used with respect to Equipment, shall mean the actual cost thereof (including freight charges, if any, from the manufacturer's plant to a point of delivery to the Company and applicable local or state sales taxes, if any), as evidenced by the manufacturer's invoice with respect to such Equipment (less any deduction therefrom due to a quantity discount, refund or other allowance as

provided in the second paragraph of Section 5.04) plus the actual cost of any parts supplied to such manufacturer by the Company, as evidenced by an Officer's Certificate, to the extent such actual cost is not included in said manufacturer's invoice.

Default shall mean

(1) any Event of Default; and

(2) the occurrence and continuance of an event which, with the giving of notice or the passage of time or both, would constitute an Event of Default.

The Company shall "be in Default" if a Default shall have occurred and be continuing.

Deposited Cash shall mean the aggregate of (a) the proceeds from the sale of the Certificates deposited with the Trustee pursuant to Section 3.01 and, when required or indicated by the context, any Investments purchased by the use of such proceeds pursuant to the provisions of Section 9.04, and (b) any sums restored to Deposited Cash from rentals pursuant to Section 5.04(B)(1)(b) and on deposit with the Trustee.

Equipment shall mean standard-gauge railroad equipment first put into service no earlier than January 1, 1989, consisting of approximately 500 autorack flatcars or other flatcars of comparable or better utility, but shall not include any special devices, racks or assemblies, at any time attached or affixed to any such equipment, the cost or purchase price of which is not included in the Cost of such equipment and the title to which is in a person, firm or corporation other than the Company or the Trustee.

Event of Default shall mean any event specified in Section 6.01 to be an Event of Default.

The word holder, when used with respect to Certificates, shall mean a registered holder of Certificates and shall include the plural as well as the singular number.

Investments shall mean (i) direct obligations of the United States of America or obligations for which the full faith and credit of the United States of America is pledged to provide for the payment of principal and

interest; (ii) open market commercial paper of any company incorporated and doing business under the laws of the United States of America or one of the states thereof rated within the highest grade by Standard & Poor's Corporation or by Moody's Investors Service or an equivalent rating by a successor thereto or by a similar rating service substituted therefor which is acceptable to both the Company and the Trustee; (iii) certificates of deposit, banker's acceptances or commercial paper of domestic commercial banks having total assets in excess of $1,000,000,000; and (iv) repurchase agreements in respect of securities described in clause (i) as to which the Trustee has arranged to take physical possession, in each case maturing not later than the Surplus Deposit Date.

Make Whole Premium shall mean, with respect to the prepayment of any Trust Certificate, a premium equal to the excess, if any, of (i) the present value, as of the date of prepayment, of the respective installments of principal of and interest on such Trust Certificate that, but for such prepayment, would have been payable on the payment dates after such prepayment over (ii) the principal amount of such prepayment. Such present value shall be determined by discounting the amounts of such installments from their respective payment dates to the date of prepayment at a rate equal to 0.50% over the Treasury Rate.

Officer's Certificate shall mean a certificate signed by the President, any Vice President, the Controller, the Secretary, any Assistant Secretary, the Treasurer or any Assistant Treasurer of the Company.

Opinion of Counsel shall mean, an opinion in writing signed by legal counsel who shall be satisfactory to the Trustee and who may, unless in a particular instance the Trustee shall otherwise require, be an employee of or counsel to the Company. The Acceptance by the Trustee of, and its action on, an Opinion of Counsel shall be sufficient evidence that such counsel is satisfactory to the Trustee.

Penalty Rate shall mean the rate of interest per annum for any overdue installment of principal, premium, if any, or interest specified in the form of Certificate set forth in Section 1.01.

Purchase Agreement shall mean the Purchase Agreement dated as of April 15, 1989, between the Company and the Purchasers named therein pursuant to which the Certificates are being sold.

Request shall mean a written request for the action therein specified, delivered to the Trustee, dated not more than 10 days prior to the date of delivery to the Trustee and signed on behalf of the Company by the President, any Vice President, the Treasurer or any Assistant Treasurer of the Company.

Surplus Deposit Date shall mean December 28, 1989, or such earlier date as the Company may specify in writing to the Trustee.

Treasury Rate shall mean the yield on a hypothetical United States Treasury security with a Treasury constant maturity matching the then remaining average life to maturity of Trust Certificates. The hypothetical Treasury security is to be derived by referring to the Federal Reserve Board's Statistical Release H-15 (519) (or its successor publication) most recently available next preceding (by not more than 10 nor less than 5 Business Days) the date of the prepayment of the Trust Certificates. If there is a Treasury constant maturity listed in said Federal Reserve H-15 Release with a maturity equal to the then remaining average life to maturity of the Trust Certificates, then the yield on such Treasury security shall be the Treasury Rate. If no such Treasury constant maturity exists, then the Treasury security with a constant maturity closest to and greater than the then remaining average life to maturity of the Trust Certificates, shall be used, along with the Treasury security with a constant maturity closest to and less than the then remaining average life to maturity of the Trust Certificates, in the following formula in order to calculate the Treasury Rate:

$$TR = YA + (ALM - MA) \times \frac{(YB - YA)}{(MB - MA)}$$

where:
TR = Treasury Rate.
ALM = Average Life to Maturity of the Trust Certificates.
A = Treasury security with a maturity closest to and less than ALM.
B = Treasury security with a maturity closest to and greater than ALM.
YA = Yield to Maturity of Security A.
YB = Yield to Maturity of Security B.
MA = Maturity of Security A.
MB = Maturity of Security B.

If there shall be no Treasury security with a constant maturity less than the then remaining average life to maturity of the Certificates, then Treasury Rate shall mean the yield on the Treasury security with the shortest Treasury constant maturity. If said Federal Reserve H-15 Release or a successor publication refers to no applicable yield on Treasury securities, then the Treasury Rate shall be determined in any manner mutually acceptable to the Company and the holders of Trust Certificates.

Trust Equipment shall mean all Equipment at the time subject to the terms of this Agreement.

Trustee shall mean Mercantile-Safe Deposit and Trust Company, a corporation duly organized and existing under the laws of the State of Maryland, and, subject to the provisions of Article Nine, any successor as trustee hereunder.

Value, as used herein, shall mean an amount determined as follows:

(1) The Value of any Trust Equipment assigned or transferred by the Trustee as provided in Section 5.07, and as used in Sections 5.08, 6.01 and 7.05 in respect of Trust Equipment, shall be deemed to be the Cost thereof as theretofore certified to the Trustee less 1/180th of such Cost for each full period of one month elapsed between (y) the later of the date hereof and the date such Trust Equipment was first put into use as certified to the Trustee and (z) the date as of which Value is to be determined.

(2) The Value of any Trust Equipment conveyed to the Trustee as provided in Section 5.07 shall be deemed to be the lesser of (a) the actual fair value thereof to the Company or (b) the Cost thereof, if new, or, in case of any Trust Equipment not new, the Cost thereof less 1/180th of such Cost for each full period of one month elapsed between (y) the later of the date hereof and the date such Trust Equipment was first put into use as certified to the Trustee and (z) the date of the transfer thereof to the Trustee.

The words herein, hereof, hereby, hereto, hereunder and words of similar import refer to this Agreement as a whole and not to any particular Article, Section, paragraph or subdivision hereof.

ARTICLE THREE

Certificates and Issuance Thereof

SECTION 3.01. Issuance of Certificates. Upon the sale of any of the Certificates, an amount equal to the principal amount of the Certificates so sold shall, forthwith upon the issuance thereof, be deposited in cash with the Trustee.

Thereupon the Trustee shall issue and deliver, as the Company shall direct by Request, Certificates in the aggregate principal amount so sold.

The aggregate principal amount of Certificates which shall be executed and delivered by the Trustee under this Section shall not exceed the Total Authorized Issue specified in the form of Certificate, and the aggregate principal amount represented by all the Certificates shall be payable as hereinafter set forth.

SECTION 3.02. Interests Represented by Certificates; Interest; Maturity. Each of the Certificates shall represent an interest in the amount therein specified in the trust created hereunder. Subject to the provisions of Article Ten respecting prepayment of Certificates, the aggregate principal amount of the Certificates will be payable in substantially equal annual installments on May 1 in each of the years from 1990 to 2004, both inclusive. Each Certificate will bear interest on the unpaid principal amounts thereof, payable on May 1 and November 1 of each year, commencing November 1, 1989, at the rate specified thereon and with interest payable on overdue installments of principal, premium, if any, and interest at the Penalty Rate; provided however, that Certificates registered in the name of the Company will not bear interest during the period so registered if the Company shall so Request. If any of the dates for payment of principal or interest is not a Business Day, such payment shall be payable on the next Business Day, and no interest shall be payable thereon from and after the scheduled date for payment thereof to such next Business Day.

The principal of and premium, if any, and interest on the Certificates shall be payable at the Corporate Trust Office in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, but only from and out of rentals or other moneys received by the Trustee and

applicable to such payment under the provisions hereof. Notwithstanding the provisions of the next preceding sentence, in the case of payments of principal, premium, if any, and interest to be made on a Certificate not then to be paid in full, upon request and deposit of an agreement by the holder of such Certificate (the responsibility of such holder to be satisfactory to the Trustee) obligating such holder, prior to any transfer or other disposition thereof, to surrender the same to the Trustee for notation thereon of the installments of principal amount represented thereby theretofore paid in whole or in part, on the date each such payment is due the Trustee will, subject to timely receipt of the rental payments under Section 5.04, mail its check, or on request of the holder the Trustee will wire by 11:00 a.m. Baltimore, Maryland, time, funds immediately available on such date, to the account of such registered holder at such bank as it may designate by notice in writing to the Trustee, in the case of wire transfers, and in all other cases, to such registered holder at his address shown on the registry books maintained by the Trustee or at such other address as may be directed in writing by such holder (and the Company agrees to make its rental payments pursuant to Section 5.04 at such times and in such funds as will enable the Trustee to comply herewith); provided, however, that the deposit of such agreement shall not be required of any original purchaser of the Certificates or of any other purchasers approved by the Company, who, at the time payments of principal, premium, if any, or interest are to be made, are holders of Certificates, and the Trustee shall without the deposit of such agreement make payments of principal, premium, if any, and interest to such original purchasers of Certificates or to any other purchaser so approved by the Company at the address of each supplied to the Trustee by the Company.

SECTION 3.03. Form, Execution and Characteristics of Certificates. (a) The Certificates and the guarantee to be endorsed on the Certificates by the Company as provided in Section 7.01 shall be in substantially the forms set forth in Article One.

(b) The Certificates shall be signed in the name and on behalf of the Trustee by the manual or facsimile signature of one of its Vice Presidents or one of its Assistant Vice Presidents and its corporate seal or a facsimile thereof shall be affixed or imprinted thereon and attested by the manual signature of one of its Authorized Officers. In case any officer of the Trustee whose signature, whether facsimile or not, shall appear on any of the

Certificates shall cease to be such officer of the Trustee before the Certificates shall have been issued and delivered by the Trustee or shall not have been acting in such capacity on the date of the Certificates, such Certificates may be adopted by the Trustee and be issued and delivered as though such person had not ceased to be or had then been such officer of the Trustee.

(c) The Certificates (i) shall be issuable in denominations of $1,000 or more; (ii) shall be registered, as to both principal and interest, in the name of the holders; (iii) shall be transferable in whole or in part upon presentation and surrender thereof for transfer at the Corporate Trust Office, accompanied by appropriate instruments of assignment and transfer, duly executed by the registered holder of the surrendered Certificate or Certificates or by duly authorized attorney, in form satisfactory to the Trustee; (iv) shall be dated as of the date of issue unless issued in exchange for another Certificate or Certificates bearing unpaid interest from an earlier date, in which case they shall be dated as of such earlier date; (v) shall entitle the registered holder to interest from the date thereof; and (vi) shall be exchangeable for an equal aggregate principal amount of Certificates of authorized denominations of like tenor and maturity.

(d) Anything contained herein to the contrary notwithstanding, the parties hereto may deem and treat the registered holder of any Certificates as the absolute owner of such Certificates for all purposes and shall not be affected by any notice to the contrary.

(e) The Trustee shall cause to be kept at the Corporate Trust Office books for the registration and transfer of the Certificates for such purpose, the Trustee shall register any transfer as hereinabove provided, and under such reasonable regulations as it may prescribe.

(f) For any registration, transfer or exchange, the Trustee shall require the payment of a sum sufficient to reimburse it for any governmental charge connected therewith.

(g) Each Certificate delivered pursuant to any provision of this Agreement in exchange or substitution for, or upon the transfer of the whole or any part, as the case may be, of one or more other Certificates shall carry all the rights to principal, premium, if any, and to interest accrued and unpaid and to accrue, which were carried by the

whole or such part, as the case may be, of such one or more other Certificates, and, notwithstanding anything contained in the Agreement, such Certificate shall be so dated that neither gain nor loss in interest, premium, if any, or principal shall result from such exchange, substitution or transfer.

(h) The Trustee shall not be required (i) to issue, register the transfer of or exchange Certificates for a period of 10 days next preceding any interest payment date, (ii) to issue, register the transfer of or exchange any Certificate during a period beginning at the opening of business 15 days before any selection of Certificates to be prepaid and ending at the close of business on the day of the mailing of the relevant notice of prepayment or (iii) to register the transfer of or exchange any Certificate so selected for prepayment in whole or in part until after the date fixed for prepayment or repurchase.

(i) The Trustee shall not be required to register any transfer of Certificates unless the Trustee has received approval of the Company or the Trustee is reasonably satisfied that such transfer is exempt from the registration requirements of the Securities Act of 1933.

SECTION 3.04. Replacement of Lost Certificates. In case any Certificate shall become mutilated or defaced or be lost, destroyed or stolen, then on the terms herein set forth, and not otherwise, the Trustee shall execute and deliver a new Certificate of like tenor, date and maturity, and bearing such identifying number or designation as the Trustee may determine, in exchange and substitution for, and upon cancelation of, the mutilated or defaced Certificate, or in lieu of and in substitution for the same if lost, destroyed or stolen. The Company shall execute its guarantee on any Certificates to be so delivered. The applicant for a new Certificate pursuant to this Section shall furnish to the Trustee and to the Company evidence to their satisfaction of the loss, destruction or theft of such Certificate alleged to have been lost, destroyed or stolen and of the ownership and authenticity of such mutilated, defaced, lost, destroyed or stolen Certificate, and also shall furnish such security or indemnity as may be required by the Trustee and by the Company in their discretion (which, in the case of any of the original purchasers of Certificates, may at the option of such purchaser be in the form of an indemnification agreement executed by such purchaser), and shall pay all reasonable expenses and charges of such substitution or exchange. All Certificates are held and

owned upon the express condition that the foregoing provisions are exclusive in respect of the replacement of mutilated, defaced, lost, destroyed or stolen Certificates and shall preclude any and all other rights and remedies, any law or statute now existing or hereafter enacted to the contrary notwithstanding.

ARTICLE FOUR

Acquisition of Trust Equipment by Trustee; Deposited Cash

SECTION 4.01. Acquisition of Equipment by Trustee. The Company, as speedily as may be, shall cause to be sold to the Trustee, as trustee for the holders of the Certificates, all the Equipment described in Schedule I hereto; provided, however, that if the Cost of the Equipment settled for under this Article Four shall exceed 125% of the aggregate principal amount of Certificates issued or issuable under Section 3.01 and to be sold under the Purchase Agreement, upon Request, the Trustee shall execute and deliver to the Company a supplement hereto excluding from this Agreement any Equipment the Cost of which caused such excess. The Equipment shall be delivered to the person or persons designated by the Trustee as its agent or agents to accept such delivery (who may be one or more of the officers or agents of the Company) and the certificate of any such agent or agents as to such delivery and acceptance shall be conclusive evidence of such delivery.

In the event that the Company shall deem it necessary or desirable to procure for the use of the Company, and to include in the trust hereby created, other Equipment in addition to or in lieu of any units of the Equipment specifically described in Schedule I hereto (prior to the acceptance of such Equipment by the Trustee or its agent or agents), or in the event that any unit of the Equipment described in Schedule I hereto shall suffer a Casualty Occurrence as defined in Section 5.08, prior to such acceptance, the Company may cause to be sold to the Trustee other Equipment, to be substituted under the trust.

SECTION 4.02. Payment of Deposited Cash. From time to time, when and as any Equipment shall have been accepted by the Trustee or its agent or agents pursuant to Section 4.01, the Trustee shall (subject to the provisions of Sections 4.03 and 4.04) pay, upon Request, to the

manufacturer or the seller of the accepted Equipment out of Deposited Cash then held by the Trustee an amount not exceeding 80% of the lesser of the aggregate Cost of such Trust Equipment or its fair value, as specified in the Officer's Certificate furnished to the Trustee pursuant to Section 4.04(b).

SECTION 4.03. Payment of Deficiency. The Company covenants that, contemporaneously with any payments by the Trustee pursuant to Section 4.02, it will pay to the Trustee the advance rental provided in Section 5.04(A), and thereupon the Trustee shall, upon Request, pay to the manufacturer or the seller of the accepted Equipment, by the use of such advance rental, the portion of the aggregate Cost of the accepted Equipment not paid out of Deposited Cash as provided for in Section 4.02. The intention of this Section is that the Company shall ultimately pay not less than 20% of the Cost of all the Equipment accepted by the Trustee pursuant to this Article Four, and the Trustee and the Company shall at any time, if occasion arises, adjust their accounts and payments to the end that the Trustee shall pay with Deposited Cash not more than 80% of the lesser of the Cost or fair value thereof and the Company shall pay the remainder, to be not less than 20% of such Cost or such fair value.

SECTION 4.04. Supporting Papers. The Trustee shall not pay out any Deposited Cash upon the acceptance of any unit of Equipment unless and until it shall have received:

(a) a certificate of the agent or agents designated by the Trustee to receive delivery of the Equipment, stating that the Equipment described and specified therein by car number or numbers has been delivered to, and accepted by, such agent or agents;

(b) an Officer's Certificate, which shall state (i) that such Equipment is Equipment as herein defined, (ii) that the Cost of such Equipment is an amount therein specified, (iii) whether or not the Cost of any units of Equipment includes the Cost of Components (as defined in Section 5.07), which Cost shall be separately stated in the invoice or invoices in respect thereof, (iv) that the fair value of such Equipment is an amount therein specified or that the fair value of such Equipment is equal to or greater than the Cost and (v) that such Equipment has been marked as provided in Section 5.10;

(c) an invoice or invoices from the manufacturer or the seller of the Equipment;

(d) a bill or bills of sale from the manufacturer or the seller transferring all right, title and interest in and to the Equipment to the Trustee, warranting to the Trustee that at the time of delivery of such Equipment hereunder it had legal title to such Equipment and good and lawful right to sell such Equipment and that title to such Equipment was, at the time of such delivery, free from all claims, liens, security interests and other encumbrances of any nature except as created by this Agreement and any manufacturing agreement or selling agreement, and releasing any security interest retained by the manufacturer or the seller under any such agreement;

(e) an opinion of counsel for the manufacturer or the seller to the effect that (i) the units of such Equipment, at the time of delivery thereof hereunder, were free of all claims, liens, security interests and other encumbrances of any nature except as created by this Agreement and any manufacturing agreement or selling agreement, and (ii) such bill or bills of sale have been duly authorized, executed and delivered and are valid and effective to transfer all right, title and interest of the manufacturer or the seller in and to such Equipment to the Trustee, free of all claims, liens, security interests or other encumbrances of any nature arising prior to the delivery of such Equipment hereunder, except as created by this Agreement (such counsel being entitled to rely on a certificate of an officer of the Company as to the period from the time of any delivery of such Equipment under any manufacturing agreement or selling agreement to the time of delivery thereof hereunder); and

(f) in the case of any Equipment not specifically described in this Agreement, an Opinion of Counsel to the effect that a proper supplement hereto in respect of such Equipment has been duly executed by the Trustee and the Company and has been duly filed as required by Section 7.05.

If the Company is the seller of the Equipment, the bill of sale required by clause (d) shall be accompanied by a copy of the related bill of sale from the manufacturer to the Company and the opinion required by clause (e) shall be accompanied by the related opinion from the manufacturer.

Any Officer's Certificate delivered pursuant to this Section may state that the Cost or fair value of the Equipment therein referred to is tentatively determined, subject to final adjustment to be evidenced in a final Officer's Certificate to be delivered to the Trustee.

In the event that on the Surplus Deposit Date, any Deposited Cash shall remain in the possession of the Trustee, the Trustee shall (a) sell all Investments in which Deposited Cash is invested then held by it and (b) apply Deposited Cash and any amount payable in respect of such Investments pursuant to Section 5.04(B)(1)(b) to the prepayment of Certificates on the Surplus Deposit Date as provided in Article Ten hereof; and the Company will deposit with the Trustee on or prior to the Surplus Deposit Date all interest accrued and unpaid to the Surplus Deposit Date on that portion of the Certificates to be prepaid.

ARTICLE FIVE

Lease of Trust Equipment to the Company

SECTION 5.01. Lease of Trust Equipment. The Trustee does hereby let and lease to the Company all the Trust Equipment from and after the date such Trust Equipment is acquired by the Trustee to the date on which the final payment of principal, premium, if any, and interest on any Certificate is due.

SECTION 5.02. Equipment Automatically Subjected. As and when any Equipment shall from time to time be settled for hereunder by the Trustee or its agent or agents, the same shall, ipso facto and without further instrument of lease or transfer, become subject to all the terms and provisions hereof.

SECTION 5.03. Additional and Substituted Equipment Subject Hereto. In the event that the Company shall, as provided in Section 4.01 or 5.07, cause to be transferred to the Trustee other Equipment in addition to or in substitution for any of the Equipment herein specifically described or subjected hereto, such other Equipment shall be included as part of the Trust Equipment by supplement hereto to be executed by the Trustee and the Company and shall be subject to all the terms and conditions hereof in all respects as though it had been part of the Equipment herein specifically described.

SECTION 5.04. Rental Payments. The Company hereby accepts the lease of all the Trust Equipment, and agrees to accept delivery and possession hereunder of the Trust Equipment; and the Company agrees to pay to the Trustee at the Corporate Trust Office (or, in the case of taxes, to the proper taxing authority), in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, rental hereunder which shall be sufficient to pay and discharge the following items, when and as the same shall become due and payable (whether or not any of such items shall become due and payable prior to the acceptance of delivery of any unit of the Trust Equipment):

(A) The Company shall, at the time of making a Request pursuant to Section 4.02, pay to the Trustee, as advance rental hereunder, an amount equal to the excess of the aggregate Cost of the Trust Equipment over the portion of such Cost to be paid out of Deposited Cash as provided in Section 4.02.

(B) In addition to such advance rental the Company shall pay to the Trustee, as rental for the Trust Equipment (notwithstanding that any of the Certificates shall have been acquired by the Company or shall not have been presented for payment), the following:

(1) (a) the expenses of the trust hereby created, including, without limitation, reasonable compensation to the Trustee and all expenses provided for herein, and (b) an amount equal to any expenses incurred or loss of principal (including interest accrued thereupon at time of purchase) in connection with any purchase, sale or redemption by the Trustee of Investments;

(2) any and all taxes, assessments and governmental charges which the Trustee as such may be required to pay, including, without limitation, all taxes, assessments and governmental charges upon or on account of the income or property of the trust, or upon or on account of this Agreement;

(3) (a) the amounts of the interest and premium, if any, payable on the Certificates, when and as the same shall become payable, and (b) interest at the Penalty Rate from the due date, upon the amount of any installments of rental

payable in respect of the principal of and, premium, if any, and interest on the Certificates which shall not be paid when due, to the extent legally enforceable; and

(4) the installments of principal of the Certificates, when and as the same shall become payable, whether upon the date of maturity thereof, by prepayment or by declaration or otherwise.

If the Company is granted a quantity discount, refund or other allowance, any portion of which is applicable to the Trust Equipment (other than special devices, racks or assemblies, the cost or purchase price of which is not included in the Cost of the Trust Equipment or any unit thereof) and is not reflected in the invoices therefor delivered to the Trustee pursuant to Section 4.04(c), the Company will, upon receipt of the same, promptly allocate to the Trust Equipment 100% of the portion thereof applicable to the Trust Equipment, promptly deposit with the Trustee an amount in cash equal to 100% of such portion and deliver to the Trustee an Officer's Certificate setting forth the basis for the determination of such deposit. Cash deposited with the Trustee pursuant to this paragraph shall be held and applied as provided in the fourth paragraph of Section 5.07.

Nothing contained herein or in the Certificates shall be deemed to impose on the Trustee or on the Company any obligation to pay to the registered holder of any Certificate any tax, assessment or governmental charge required by any present or future law of the United States of America, or of any state, county, municipality or other taxing authority thereof, to be paid in behalf of, or withheld from the amount payable to, the holder of any Certificate.

The Company shall not be required to pay any tax, assessment or governmental charge so long as it shall in good faith and by appropriate legal proceedings contest the validity thereof; provided, however, that in the judgment of the Trustee and as set forth in an Opinion of Counsel which shall have been furnished to the Trustee by the Company, the rights or interests of the Trustee or of the holders of the Certificates will not be materially endangered thereby.

The Company's obligation to pay the foregoing rental is absolute and unconditional.

SECTION 5.05. Termination of Trust. After all payments due or to become due from the Company hereunder shall have been completed and fully made to the Trustee (1) such payments shall be deemed to represent payment of the full purchase price for the Company's purchase at such time of the Trust Equipment from the Trustee, (2) any moneys remaining in the hands of the Trustee after providing for all outstanding Certificates and after paying the expenses of the Trustee, including its reasonable compensation, shall be paid to the Company, (3) title to all the Trust Equipment shall vest in the Company and (4) the Trustee shall execute for record in public offices, at the expense of the Company, such instrument or instruments in writing as reasonably shall be requested by the Company in order to make clear upon public records the Company's title to all the Trust Equipment under the laws of any jurisdiction; provided, however, that until that time title to the Trust Equipment shall not pass to or vest in the Company, but title to and ownership of all the Trust Equipment shall be and remain in the Trustee, notwithstanding the delivery thereof to and the possession and use thereof by the Company pursuant to this Agreement.

SECTION 5.06. Indemnity. The Company agrees to indemnify the Trustee and the holders of the Certificates against any and all claims arising out of or connected with the ownership, lease or use of any of the Trust Equipment, and particularly against any and all claims arising out of the use of any patented inventions in and about the Trust Equipment, and to comply in all respects with the laws of the United States of America and of all the states and other jurisdictions in which the Trust Equipment, or any unit thereof, may be operated, and with all lawful acts, rules, regulations and orders of any commissions, boards and other legislative, executive, administrative or judicial bodies or officers having power to regulate or supervise any of the Trust Equipment, including without limitation all lawful acts, rules, regulations and orders of any body having competent jurisdiction relating to automatic coupler devices or attachments, air brakes or other appliances; provided, however, that the Company may in good faith contest the validity of any such law, act, rule, regulation or order, or the application thereof to the Trust Equipment or any part thereof, in any reasonable manner which will not in the judgment of the Trustee materially endanger the rights or interests of the Trustee or of the holders of the Certificates. The Company shall not be relieved from any of its obligations hereunder by reason of the assertion or

enforcement of any such claims or the commencement or prosecution of any litigation in respect thereof.

SECTION 5.07. Substitution and Replacement of Trust Equipment. Upon Request, the Trustee shall, at any time and from time to time, execute and deliver a bill of sale assigning and transferring to a transferee named by the Company all the right, title and interest of the Trustee in and to any of the units of Trust Equipment or Components (as defined at the end of this paragraph) as provided herein; provided, however, that (a) there shall be paid to the Trustee cash in an amount not less than the Value, as of the date of such Request, of the units of Trust Equipment or Components to be assigned or transferred by the Trustee, (b) there shall be conveyed to the Trustee at the time of assignment or transfer of any units of Trust Equipment, other units of Equipment of a Value not less than the Value, as of the date of such Request, of the units of Trust Equipment to be assigned or transferred or (c) there shall be conveyed to the Trustee at the time of assignment or transfer of any Components either other Components (which shall be affixed by the Company to units of Equipment) or units of Equipment, or both, of a Value not less than the Value, as of the date of such Request, of the Components to be assigned or transferred; provided further that no Components shall be removed from a unit of Trust Equipment, or a substitution of Components made, if such removal, or removal and substitution, will impair the use in the business of the Company of such unit, and no substitution of a unit of Equipment shall be made unless such substituted unit shall at the time of such substitution be needed by the Company for revenue service; and provided further that no substitution contemplated under this Section shall be made if the Company is then in Default or if the Value of Equipment and Components to be transferred by the Trustee, together with the Value of Equipment and Components theretofore transferred by the Trustee pursuant to this Section, shall exceed an amount equal to 20% of the aggregate principal amount of Certificates originally issued, unless written consent to make such substitution is obtained from the holders of not less than a majority in principal amount of Certificates then outstanding. For the purposes of this Section the terms "Trust Equipment" and "Equipment" shall include (in addition to Equipment as defined in Section 2.01) any safety chains, riser planks, couplers, draft gears, tie downs, bulkheads, winches, channels, collapsible pedestals, interior complements or other components (herein called "Components") if the Cost thereof is separately stated in the invoice delivered to the Trustee when such Components are

first subjected to the trust created hereby; the term "unit" when used with reference to Trust Equipment or Equipment being deemed to mean, however, a complete unit of railroad rolling stock.

At the time of delivery of any Request pursuant to the first paragraph of this Section, the Company shall, if other Equipment is to be conveyed to the Trustee in substitution for the Trust Equipment to be assigned or transferred by the Trustee, deliver to the Trustee the following papers:

(1) an Officer's Certificate stating (i) the Value, as of the date of said Request, of the Trust Equipment so to be assigned or transferred by the Trustee and the date such Trust Equipment was first put into use (or that such Trust Equipment was first put into use not later than a specified date), (ii) that the requested assignment or transfer by the Trustee will not impair (a) the security under this Agreement in contravention of the provisions hereof and (b) in the case of a Component, the use of the unit of Trust Equipment on which such substitution is to be made, (iii) the Value of such substituted Equipment as of such date and the date such substituted Equipment was first put into use (or that such substituted Equipment was first put into use not earlier than a specified date), (iv) if such substitution consists of one or more Components, that each such Component is to be substituted on a specified unit of the Trust Equipment for another Component used for the same purpose concurrently being removed from such unit and assigned or transferred by the Trustee hereunder, (v) that each unit of Equipment so to be substituted has been marked as provided in Section 5.10 and is needed by the Company for revenue service, (vi) that each such unit so to be substituted is Equipment as herein defined and (vii) that the Company is not in Default;

(2) a certificate, an invoice or invoices and a bill or bills of sale in respect of such substituted Equipment, as provided for in subparagraphs (a), (c) and (d) of the first paragraph of Section 4.04; and

(3) an Opinion of Counsel to the effect that (i) such bill or bills of sale are valid and effective, either alone or together with any other instruments referred to in and accompanying such opinion, to vest in the Trustee title to such substituted unit free from all claims, liens, security interests and other

encumbrances and (ii) that a proper supplement hereto in respect of each substituted unit has been duly executed by the Trustee and the Company and has been duly filed as required by Section 7.05.

At the time of delivery of any Request pursuant to the first paragraph of this Section, the Company shall, if cash is to be paid to the Trustee in respect of the Trust Equipment to be assigned or transferred by the Trustee, deliver to the Trustee an Officer's Certificate to the effect as set forth in clauses (i), (ii) and (vii) of subparagraph (1) of the preceding paragraph.

Cash deposited with the Trustee pursuant to the second paragraph of Section 5.04, this Section or Section 5.08 shall, from time to time, be paid over by the Trustee to the Company upon Request, against conveyance to the Trustee of units of Equipment having a Value, as of the date of said Request, not less than the amount of cash so paid, and upon delivery to the Trustee of papers corresponding to those set forth in the second paragraph of this Section, with such appropriate modifications as may be approved by the Trustee.

SECTION 5.08. Maintenance of Trust Equipment; Casualty Occurrences. The Company agrees that it will maintain and keep each unit of the Trust Equipment in good order and proper repair at its own cost and expense, unless and until such unit is determined by the Company to be worn out, lost, stolen, destroyed, irreparably damaged, or permanently rendered unfit for use from any cause whatsoever ("Casualty Occurrence"). Whenever any unit of the Trust Equipment shall suffer a Casualty Occurrence, the Company shall, within 30 days after it shall have been informed of such Casualty Occurrence, deliver to the Trustee an Officer's Certificate describing such Trust Equipment and stating the Value thereof as of the date of such Casualty Occurrence. When the total Value of all units of the Trust Equipment having suffered a Casualty Occurrence (exclusive of units having suffered a Casualty Occurrence in respect of which a payment shall have been made to the Trustee pursuant to this Section) shall exceed $500,000 (or such lesser amount as the Company may elect in the case of replacement Equipment conveyed as provided in the last paragraph of Section 5.07), the Company, within 30 days of such event, shall deposit with the Trustee an amount in cash equal to the Value of such units as of the date of the Casualty Occurrence in respect of each thereof. At the option of the Company evidenced by a Request, cash deposited with the

Trustee pursuant to this Section shall be either (1) held and applied as provided in the last paragraph of Section 5.07 or (2) applied to the prepayment of Certificates on any scheduled date for the payment of interest or principal on the Certificates and from and after such date of prepayment no rentals shall accrue in respect of the units as to which such prepayment has been made.

The Company will at all times, at its own expense, cause to be carried and maintained for the benefit of the Trustee all-risk property insurance in respect of the Trust Equipment and public liability insurance in amounts and against risks customarily insured against by the Company in respect of similar equipment owned by it.

The Company shall, on or before May 1 of each calendar year commencing with 1990 and from time to time upon request of the Trustee, furnish appropriate evidence of all insurance maintained hereunder.

The Company agrees to furnish to the Trustee, prior to May 1 in each year commencing May 1, 1990, an Officer's Certificate, dated as of the preceding December 31, stating (1) the description and numbers of all units of Trust Equipment then covered by this Agreement, (2) the description and numbers of all units of Trust Equipment that have suffered a Casualty Occurrence since the date of the last preceding statement (or the date of this Agreement in the case of the first statement) and (3) that in the case of all Trust Equipment repainted or repaired since the date of the last preceding statement (or the date of this Agreement in the case of the first statement) the marks required by Section 5.10 have been preserved or that such Trust Equipment when repainted or repaired has been again marked as required thereby. The Trustee shall furnish to any holder of the Certificates, upon request, a copy of any Officer's Certificate furnished to the Trustee by the Company pursuant to this paragraph. The Trustee, by its agents, shall have the right once in each calendar year, but shall be under no duty, to inspect the Trust Equipment at the then existing locations thereof; provided, however, that the Company shall not be liable for any injury to, or the death of, any agent or employee of the Trustee incurred while exercising any such right to inspect the Trust Equipment under the preceding provision of this sentence, unless the Company's own negligence is the direct cause of such injury or death.

SECTION 5.09. Possession of Trust Equipment. Except as provided in this Section and in Section 7.04, the

Company will not assign or transfer its rights hereunder, or transfer or sublet the Trust Equipment or any part thereof, without the prior written consent of the Trustee; and the Company shall not, without such written consent, except as herein provided, part with the possession of, or suffer or allow to pass out of its possession or control, any of the Trust Equipment. The appointment of a receiver or receivers in equity or reorganization or a trustee or trustees in bankruptcy or reorganization for the Company or for its property shall not be deemed an unauthorized assignment unless the same shall constitute an Event of Default.

So long as the Company shall not be in Default, the Company shall be entitled to the possession of the Trust Equipment and also to sublease the Trust Equipment to, or to permit its use under the terms of car contracts by, a sublessee or user incorporated in the United States of America (or any state thereof or the District of Columbia), in Mexico (or any State or the Federal District thereof) or in the Dominion of Canada (or any Province or Territory thereof), upon lines of railroad owned or operated by such sublessee or user, or over which such sublessee or user has trackage right or rights for operation of its trains, and upon connecting and other carriers in or between the United States, Mexico or Canada in the usual interchange of traffic, but only upon and subject to all the terms and conditions of this Agreement; provided, however, that, if the Company subleases or permits the use of the Trust Equipment in Canada (or any Province or Territory thereof) or in Mexico (or any State or the Federal District thereof), the Company shall, except as otherwise provided in Section 7.05, first have (a) taken all necessary action to protect the right, title and interest of the Trustee in the Trust Equipment to be so subleased or used and (b) furnished the Trustee with an opinion of Canadian or Mexican counsel, as the case may be, satisfactory to the Trustee to the effect that such action is all that is necessary to protect the right, title and interest of the Trustee in such Trust Equipment.

Any such sublease may provide that the sublessee, so long as it shall not be in default under such sublease, shall be entitled to the possession of the Trust Equipment included in such sublease and the use thereof subject to the rights and remedies of the Trustee in respect of the Trust Equipment covered by such sublease upon the occurrence of an Event of Default.

The Trustee shall have the right to declare the lease provided for herein terminated in case of any unauthorized assignment or transfer of the Company's rights hereunder or in case of any unauthorized transfer or sublease of any of the Trust Equipment. The election of the Trustee to terminate the lease provided for herein shall have the same effect as the retaking of the Trust Equipment by the Trustee as hereinafter provided.

SECTION 5.10. Marking of Trust Equipment. The Company agrees that, at the time of delivery to the Trustee pursuant to this Agreement of each unit of Equipment, there shall be plainly, distinctly, permanently and conspicuously marked on each side of such unit, in letters not less than one inch in height:

"OWNERSHIP SUBJECT TO A SECURITY
AGREEMENT FILED WITH THE INTERSTATE
COMMERCE COMMISSION"

or other similar words approved in an Opinion of Counsel delivered to the Trustee; provided, however, that if any unit of Equipment shall be in service at the time such unit is transferred to the Trustee hereunder, the Company agrees to cause such unit to be so marked within a reasonable time, and in any case within six months. Within one year after the delivery to the Trustee pursuant to this Agreement of each unit of Trust Equipment, the Company agrees to furnish to the Trustee a certificate of an agent or agents designated by the Trustee to receive delivery of the Trust Equipment stating that such unit described and specified therein by car number or numbers has been marked in accordance with the provisions of this Section.

In case, prior to the termination of the lease provided for in this Article Five, any of such marks shall at any time be removed, defaced, obliterated or destroyed, the Company shall cause the same to be restored or replaced. The Company shall not change, or permit to be changed, the numbers of any of the Trust Equipment at any time covered hereby (or any numbers which may have been substituted as herein provided) except in accordance with a statement of new numbers to be substituted therefor which previously shall have been filed with the Trustee and which shall be filed and recorded by the Company in like manner as this Agreement.

The Trust Equipment may be lettered in any appropriate manner for convenience of identification of the

leasehold interest of the Company therein, and may also be lettered, in case of a sublease of any Trust Equipment made pursuant to Section 5.09, in such manner as may be appropriate for convenience of identification of the subleasehold interest therein; but the Company, during the continuance of the lease provided for herein, will not allow the name of any person, firm, association or corporation to be placed on any of the Trust Equipment as a designation which might be interpreted as a claim of ownership thereof by the Company or by any person, firm, association or corporation other than the Trustee.

ARTICLE SIX

Events of Default and Remedies

SECTION 6.01. Events of Default. The Company covenants and agrees that in case:

(a) the Company shall default in the payment of any part of the rental payable under Section 5.04 or any amount payable under Section 5.08 hereof for more than ten days after the same shall have become due and payable, or

(b) any representation or warranty made by the Company herein or in the Purchase Agreement or in any certificate or statement furnished to the Trustee or any Purchaser pursuant to or in connection therewith proves untrue in any material respect as of the date of issuance or making thereof and the Company shall not remedy the situation in a manner satisfactory to the Trustee within 30 days after written notice thereof from the Trustee, or

(c) the Company shall make or suffer any unauthorized assignment or transfer of its rights hereunder or shall make any unauthorized transfer or sublease (including, for the purpose of this clause, contracts for the use thereof) of any of the Trust Equipment, or, except as herein authorized, shall part with the possession of any of the Trust Equipment, and shall fail or refuse either to cause such assignment or transfer or sublease to be canceled by agreement of all parties having any interest therein and recover possession of such Trust Equipment within 30 days after the Trustee shall have demanded in writing such cancelation and recovery of possession, or within said 30 days to

deposit with the Trustee a sum in cash equal to the Value, as of the date of such unauthorized action, of such Trust Equipment (any sum so deposited to be returned to the Company upon the cancelation of such assignment, transfer or sublease and the recovery of possession by the Company of such Trust Equipment), or

(d) default shall be made in the performance of any other terms or provisions hereof or in the Purchase Agreement, and such default shall continue for 30 days after written notice from the Trustee to the Company specifying the default and demanding that the same be remedied, or

(e) the lease provided for herein shall be terminated by operation of law, or

(f) any proceeding shall be commenced by or against the Company for any relief which includes, or might result in, any modification of the obligations of the Company hereunder, under the guarantee endorsed on the Certificates or under the Purchase Agreement 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 readjustment of such obligations), and, unless such proceeding 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 Company under this Agreement, under the guarantee endorsed on the Certificates or under the Purchase Agreement shall not be and shall not continue to be 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 Company or for its property in connection with any such proceeding 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 120 days after such proceeding shall have been commenced,

then, in any such case (herein sometimes called an "Event of Default"), the Trustee in its discretion may, and upon the written request of the holders of 25% in principal amount of the then outstanding Certificates shall, by notice in writing delivered to the Company, declare to be due and

payable forthwith the entire amount of the rentals thereafter (including any unpaid advance rental, but not including rentals required for the payment of interest accruing after the date of such declaration) payable by the Company as set forth in Section 5.04 and not theretofore paid. Thereupon the entire amount of such rentals shall forthwith become and shall be due and payable immediately without further demand, together with interest at the Penalty Rate, to the extent legally enforceable, on any portion thereof overdue.

In case one or more Events of Default shall happen, the Trustee in its discretion also may, and upon the written request of the holders of 25% in principal amount of the then outstanding Certificates shall, by notice in writing delivered to the Company, declare the principal of all the Certificates then outstanding to be due and payable, and thereupon the same shall become and be immediately due and payable.

In case the Company shall fail to pay any installment of rental payable pursuant to Section 5.04 in respect of the principal of, or interest or premium, if any, on, the Certificates when and as the same shall have become due and payable hereunder, and such Default shall have continued for a period of five days, the Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceedings at law or in equity for the collection of the rentals so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree and may enforce any such judgment or final decree against the Company or other obligor upon the Certificates and collect in the manner provided by law out of the property of the Company or other obligor upon the Certificates wherever situated the moneys adjudged or decreed to be payable.

In case there shall be pending proceedings for the bankruptcy or for the reorganization of the Company or any other obligor upon the Certificates under any bankruptcy act or any other applicable law, or in case a receiver or trustee shall have been appointed for the property of the Company or such other obligor, or in case of any other judicial proceedings relative to the Company or such other obligor or to the creditors or property of the Company or such other obligor, the Trustee, irrespective of whether the rental payments hereunder or the principal amount of the Certificates shall then be due and payable as herein or therein expressed whether by declaration or otherwise and irrespective of whether the Trustee shall have made any

demand or declaration pursuant to the provisions of this Section, shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the entire amount of the rentals then or thereafter payable (including any unpaid advance rental, but not including rentals required for the payment of interest accruing after the date of such declaration) and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for reasonable compensation to the Trustee, its agents, attorneys and counsel, and for reimbursement of all expenses and liabilities incurred, and all advances made, by the Trustee except as a result of its gross negligence or wilful misconduct) and of the holders of the Certificates allowed in such proceedings and to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute all amounts received with respect to the claims of the holders of the Certificates and of the Trustee on their behalf; and any receiver, assignee or trustee in bankruptcy or reorganization is hereby authorized by each of the holders of the Certificates to make payments to the Trustee, and, in the event that the Trustee shall consent to the making of payments directly to the holders of the Certificates, to pay to the Trustee such amount as shall be sufficient to cover reasonable compensation to the Trustee, its agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Trustee except as a result of its gross negligence or wilful misconduct.

All rights of action and to assert claims under this Agreement or under any of the Certificates may be enforced by the Trustee without the possession of any of the Certificates or the production thereof at any trial or other proceedings relative thereto, and any such action or proceedings instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall be for the ratable benefit of the holders of the Certificates. In any proceedings brought by the Trustee (and also any proceedings involving the interpretation of any provision of this Agreement to which the Trustee shall be a party) the Trustee shall be held to represent all the holders of the Certificates, and it shall not be necessary to make any holders of the Certificates parties to such proceedings.

SECTION 6.02. Remedies. In case of the happening and continuance of any Event of Default, the Trustee may by its agents enter upon the premises of the Company and any of

its Affiliates or sublessees (or other persons having acquired the use of the Trust Equipment) where any of the Trust Equipment may be and take possession of all or any part of the Trust Equipment and withdraw the same from said premises, retaining all payments which up to that time may have been made on account of rental for the Trust Equipment and otherwise, and shall be entitled to collect, receive and retain all unpaid per diem, mileage or other charges of any kind earned by the Trust Equipment or any part thereof, and may lease or otherwise contract for the use of the Trust Equipment or any part thereof, or with or without retaking possession thereof (but only after declaring due and payable the entire amount of rentals payable by the Company and the principal of all the then outstanding Certificates, as provided in Section 6.01) may sell the same or any part thereof, free from any and all claims of the Company at law or in equity in one lot and as an entirety or in separate lots, at public or private sale, for cash or upon credit, in its discretion, and may proceed otherwise to enforce its rights and the rights of the holders of the then outstanding Certificates, all subject to any mandatory requirements of law applicable thereto. Upon any such sale, the Trustee itself may bid for the property offered for sale or any part thereof. Any such sale may be held at such place and at such time as the Trustee may specify, or as may be required by law, and without gathering at the place of sale the Trust Equipment to be sold, and in general in such manner as the Trustee may determine, but so that the Company may and shall have a reasonable opportunity to bid at any such sale. Upon such taking possession or withdrawal or lease or sale of the Trust Equipment, the Company shall cease to have any rights or remedies in respect of the Trust Equipment hereunder, but all such rights and remedies shall be deemed thenceforth to have been waived and surrendered by the Company, and no payments theretofore made by the Company for the rent or use of the Trust Equipment or any of it shall give to the Company any legal or equitable interest or title in or to the Trust Equipment or any of it or any cause or right of action at law or in equity in respect of the Trust Equipment against the Trustee or the holders of interests hereunder. No such taking possession, withdrawal, lease or sale of the Trust Equipment by the Trustee shall be a bar to the recovery by the Trustee from the Company of rentals then or thereafter due and payable or of principal, premium, if any, and interest in respect of the Certificates, and the Company shall be and remain liable for the same until such sums have been realized as, with the proceeds of the lease or sale of the Trust Equipment, shall be sufficient for the discharge

and payment in full of all the obligations of the Company under this Agreement.

SECTION 6.03. Application of Proceeds. If the Trustee shall exercise any of the powers conferred upon it by Sections 6.01 and 6.02, all payments made by the Company to the Trustee, and the proceeds of any judgment collected from the Company by the Trustee, and the proceeds of every sale or lease by the Trustee of any of the Trust Equipment, together with any other sums which may then be held by the Trustee under any of the provisions hereof (other than sums held in trust for the payment of specific Certificates or a part thereof, or interest thereon), shall be applied by the Trustee to the payment, in the following order of priority, (a) of all proper charges, expenses or advances made or incurred by the Trustee in accordance with the provisions of this Agreement and (b) of the interest then due, with interest on overdue interest at the Penalty Rate, to the extent legally enforceable, of premium, if any, with interest thereon at the Penalty Rate, to the extent legally enforceable, and of the principal of all the outstanding Certificates, with interest thereon at the Penalty Rate, to the extent legally enforceable, from the last preceding interest payment date, whether such Trust Certificates shall have then matured by their terms or not, all such payments to be in full if such proceeds shall be sufficient, and if not sufficient, then first to interest, then to premium and then to principal.

After all such payments shall have been made in full, the title to any of the Trust Equipment remaining unsold shall be conveyed by the Trustee to the Company free from any further liabilities or obligations to the Trustee hereunder. If after applying all such sums of money realized by the Trustee as aforesaid there shall remain any amount due to the Trustee under the provisions hereof, the Company agrees to pay the amount of such deficit to the Trustee. If after applying as aforesaid the sums of money realized by the Trustee, there shall remain a surplus in the possession of the Trustee, such surplus shall be paid to the Company.

SECTION 6.04. Waivers of Default. Prior to the declaration of the acceleration of the maturity of the rentals and of the maturity of all the Certificates as provided in Section 6.01, the holders of a majority in principal amount of the then outstanding Certificates may on behalf of the holders of all the Certificates waive any past Default and its consequences, except a Default in the

payment of any installment of rental then due and payable pursuant to Section 5.04 in respect of the principal of, or premium, if any, or interest on, the Certificates, but no such waiver shall extend to or affect any subsequent Default or impair any right consequent thereon.

If at any time after the principal of all the Certificates shall have been declared and become due and payable or if at any time after the entire amount of rentals shall have been declared and become due and payable, all as provided in Section 6.01, all arrears of rent (with interest at the Penalty Rate upon any overdue installments, to the extent legally enforceable), the expenses and reasonable compensation of the Trustee, together with all expenses of the trust occasioned by the Default, and all other sums which shall have become due and payable by the Company hereunder shall be paid by the Company before any sale or lease by the Trustee of any of the Trust Equipment, and every other Default shall be made good or secured to the satisfaction of the Trustee and the holders of the Certificates, or provision deemed by the Trustee to be adequate shall be made therefor, then, and in every such case, the Trustee, if so requested by the holders of a majority in principal amount of the then outstanding Certificates, shall by written notice to the Company waive the Default by reason of which there shall have been such declaration or declarations and the consequences of such Default, but no such waiver shall extend to or affect any subsequent Default or impair any right consequent thereon.

SECTION 6.05. Obligations of Company Not Affected by Remedies. No retaking of possession of the Trust Equipment by the Trustee, or any withdrawal, lease or sale thereof, nor any action or failure or omission to act against the Company or in respect of the Trust Equipment, on the part of the Trustee or on the part of the holder of any Certificate, nor any delay or indulgence granted to the Company by the Trustee or by any such holder, shall affect the obligations of the Company hereunder or the obligations of the Company under the guarantee endorsed on the Certificates. The Company hereby waives presentation and demand in respect of any of the Certificates and waives notice of presentation, of demand and of any Default in the payment of the principal of and premium, if any, and interest on the Certificates.

SECTION 6.06. Company To Deliver Trust Equipment to Trustee. In case the Trustee shall rightfully demand possession of any of the Trust Equipment in pursuance of

this Agreement, the Company will, at its own expense, forthwith and in the usual manner and at usual speed, cause such Trust Equipment to be drawn to such point or points as shall reasonably be designated by the Trustee and will there deliver or cause to be delivered the same to the Trustee; or, at the option of the Trustee, the Trustee may keep such Trust Equipment, at the expense of the Company, on any lines of railroad or premises approved by the Trustee until the Trustee shall have leased, sold or otherwise disposed of the same. The performance of the foregoing covenant is of the essence of this Agreement and upon application to any court having jurisdiction in the premises, the Trustee shall be entitled to a decree against the Company requiring the specific performance thereof.

SECTION 6.07. Trustee To Give Notice of Default. The Trustee shall give to the holders of the Certificates notice of each Default hereunder known to the Trustee promptly after it has knowledge thereof, unless remedied or cured before the giving of such notice.

SECTION 6.08. Control by Holders of Certificates. The holders of a majority in principal amount of the then outstanding Certificates, by an instrument or instruments in writing executed and delivered to the Trustee, shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee; provided, however, that the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action so directed may not lawfully be taken.

SECTION 6.09. Limitations on Suits by Holders of Certificates. No holder of any Certificate shall have any right by virtue or by availing of any provision of this Agreement to institute any action or proceeding at law or in equity or in bankruptcy or otherwise, upon or under or with respect to this Agreement, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless such holder previously shall have given to the Trustee written notice of a Default and of the continuance thereof, as herein provided, and unless also the holders of a majority in principal amount of the then outstanding Certificates shall have made written request to the Trustee to institute such action or proceeding in its own name as trustee hereunder and shall have offered to the Trustee such reasonable indemnity as it may require against the costs, expenses and liabilities to be incurred therein or thereby,

and the Trustee for 60 days after its receipt of such notice, request and offer of indemnity shall have failed to institute any such action or proceeding and no direction inconsistent with such written request shall have been given to the Trustee pursuant to Section 6.08; and no one or more holders of Certificates shall have any right in any manner whatever to affect or prejudice the rights of any other holder of Certificates, or to obtain or seek to obtain priority over any other such holder or to enforce any right under this Agreement, except in the manner herein provided and for the equal, ratable and common benefit of all holders of Certificates. For the protection and enforcement of the provisions of this Section, each and every holder of a Certificate and the Trustee shall be entitled to such relief as can be given either at law or in equity.

SECTION 6.10. Unconditional Right of Holders of Certificates To Sue for Principal, Premium and Interest. Notwithstanding any other provision in this Agreement, the right of any holder of any Certificate to receive payment of the principal of, and premium, if any, and interest on, such Certificate, when and as the same shall become due and payable hereunder, whether by acceleration or otherwise, or to institute suit for the enforcement of any such payment, shall not be impaired or affected without the consent of such holder, except no such suit shall be instituted if and to the extent that the institution or prosecution thereof or the entry of judgment therein would, under applicable law, result in the surrender, impairment, waiver or loss of the title reserved under this Agreement upon any property subject hereto.

SECTION 6.11. Remedies Cumulative; Subject to Mandatory Requirements of Law. The remedies in this Agreement provided in favor of the Trustee and the holders of the Certificates shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in their favor existing at law or in equity; and such remedies shall be subject in all respects to any mandatory requirements of law at the time applicable thereto, to the extent such requirements may not be waived on the part of the Company.

ARTICLE SEVEN

Additional Agreements by the Company

SECTION 7.01. Guarantee of Company. The Company guarantees that the holder of each of the Certificates shall receive the principal amount thereof, in such coin or currency of the United States of America as, at the time of payment, shall be legal tender for the payment of public and private debts, when and as the same shall become due and payable, in accordance with the provisions thereof or of this Agreement (and, if not so paid, with interest thereon until paid at the Penalty Rate, to the extent legally enforceable), and shall receive the premium, if any, and interest thereon in like money at the rate specified therein, at the times and place and otherwise as expressed in the Certificates and this Agreement (and, if not so paid, with interest thereon until paid at the Penalty Rate, to the extent legally enforceable); and the Company agrees to endorse upon each of the Certificates, at or before the issuance and delivery thereof by the Trustee, its guarantee of the prompt payment of the principal thereof and of the premium, if any, and interest thereon, in substantially the form herein set forth. Any holder of a Certificate may sue the Company on said guarantee without first resorting to any remedy hereunder. Said guarantee so endorsed shall be signed in the name and on behalf of the Company by the manual or facsimile signature of its President, a Vice President or the Treasurer. In case any officer of the Company whose signature shall appear on said guarantee shall cease to be such officer before the Certificates shall have been issued and delivered by the Trustee, or shall not have been acting in such capacity on the date of the Certificates, such guarantee shall nevertheless be as effective and binding upon the Company as though the person who signed said guarantee had not ceased to be or had then been such officer.

SECTION 7.02. Discharge of Liens. The Company agrees that it will pay and discharge, or make adequate provision for the payment or discharge of, any debt, tax, charge, assessment, obligation or claim which if unpaid might become a lien or charge upon or against any of the Trust Equipment; but this provision shall not require the payment of any such debt, tax, charge, assessment, obligation or claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings; provided, however, that such contest will not materially endanger the rights or interests of the Trustee or of

the holders of the Certificates and the Company shall have furnished the Trustee with an Opinion of Counsel to such effect.

If the Company does not forthwith pay and discharge, or cause to be paid and discharged, or make adequate provision for the satisfaction or discharge of, any such debt, tax, charge, assessment, obligation or claim as required by this Section, the Trustee may, but shall not be obligated to, pay and discharge the same and any amounts so paid shall be secured by and under this Agreement until reimbursed by the Company.

SECTION 7.03. Further Assurances. The Company agrees to do all such acts and execute all such instruments of further assurance as it shall be reasonably requested by the Trustee to do or execute for the purpose of fully carrying out and effectuating this Agreement and the intent hereof.

SECTION 7.04. Merger, Consolidation or Sale of Assets. The Company agrees not to merge or consolidate with any other corporation or to sell, assign or transfer all or substantially all of the property of the Company to any other corporation unless the survivor of such merger or consolidation or such transferee shall be a solvent corporation organized under the laws of the United States of America or a state thereof or the District of Columbia and such survivor or such transferee (if not the Company) shall assume all the obligations and liabilities of the Company hereunder and as guarantor of the Certificates and shall not be in default hereunder.

SECTION 7.05. Recording. The Company will, promptly after the execution and delivery of this Agreement (and prior to the delivery of any Trust Equipment to the Trustee hereunder) and each supplement hereto, respectively, cause this Agreement and each such supplement to be duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 and to be duly deposited with the Registrar General of Canada pursuant to Section 86 of the Railway Act of Canada and shall provide for publication of notice of such deposit in The Canada Gazette in accordance with said Section 86. The Company will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register and record any and all further instruments required by the law of any jurisdiction in which use of the Equipment is permitted by Section 5.09 or reasonably requested by the Trustee for the purpose of proper

protection of the title of the Trustee and the rights of the holders of the Certificates and of fully carrying out and effectuating this Agreement and the intent hereof; provided, however, that the Company shall not be required to take any such action in respect of any jurisdiction outside the United States if (1) the Company deems such action to be unduly burdensome, (2) after giving effect to the failure to take such action, the Company has taken all action required by law to protect the title of the Trustee to units of Equipment having a Value of not less than 85% of the aggregate Value of all the Trust Equipment and (3) any unit of Trust Equipment at any time located in such jurisdiction shall have been marked with the markings specified in Section 5.10.

Promptly after the execution and delivery of this Agreement and each supplement hereto, the Company will furnish to the Trustee an Opinion of Counsel stating that, in the opinion of such counsel, this Agreement or such supplement, as the case may be, has been properly recorded and filed so as to effectively protect the title of the Trustee to the Trust Equipment and its rights and the rights of the holders of the Certificates thereunder and hereunder as provided in the next preceding paragraph and reciting the details of such action.

ARTICLE EIGHT

Concerning the Holders of Certificates

SECTION 8.01. Evidence of Action Taken by Holders of Certificates. Whenever in this Agreement it is provided that the holders of a specified percentage in aggregate unpaid principal amount of the Certificates may take any action (including the making of any demand or request, the giving of any notice, consent or waiver or the taking of any other action), the fact that at the time of taking any such action the holders of such specified percentage have joined therein may be evidenced by any instrument or any number of instruments of similar tenor executed by holders of Certificates in person or by agent or proxy appointed in writing.

SECTION 8.02. Proof of Execution of Instruments and of Holding of Certificates. The execution of any instrument by a holder of Certificates or his agent or proxy may be proved by the certificate of any notary public or other officer of any jurisdiction within the United States of America or Canada authorized to take acknowledgments of

deeds to be recorded in such jurisdiction that the person executing such instrument acknowledged to him the execution thereof, or by an affidavit of a witness to such execution sworn to before any such notary or other such officer.

The ownership of Certificates may be proved by the register of such Certificates or by a certificate of the registrar thereof.

SECTION 8.03. Certificates Owned by Company. In determining whether the holders of the requisite principal amount of the Certificates have concurred in any direction, request or consent under this Agreement, Certificates which are owned by the Company or by any other obligor on the Certificates or by an Affiliate of the Company or any other such obligor shall be disregarded, except that for the purpose of determining whether the Trustee shall be protected in relying on any such direction, request or consent, only Certificates which the Trustee knows are so owned shall be disregarded.

SECTION 8.04. Right of Revocation of Action Taken. At any time prior to (but not after) the evidencing to the Trustee, as provided in Section 8.01, of the taking of any action by the holders of the required percentage in principal amount of the then outstanding Certificates specified in this Agreement, any holder of a Certificate may, by filing written notice with the Trustee at its Corporate Trust Office and upon proof of holding as provided in Section 8.02, revoke such action insofar as concerns such Certificate. Except as aforesaid, any such action taken by the holder of any Certificate shall be conclusive and binding upon such holder and upon all future holders and owners of such Certificate and of any Certificate issued in exchange or substitution therefor, irrespective of whether or not any notation in regard thereto is made upon such Certificate. Any action taken by the holders of the required percentage in principal amount of the then outstanding Certificates specified in this Agreement shall be conclusive and binding upon the Company, the Trustee and the holders of all the Certificates.

SECTION 8.05. Amendment or Waiver. Any provision of this Agreement may be amended or waived with the written consent of the holders of not less that 66 2/3% in principal amount of the then outstanding Certificates (unless otherwise specifically provided in this Agreement); provided, however, that without the consent of the holders of 100% in principal amount of the then outstanding Certificates no

such amendment or waiver shall (1) reduce the amount of principal, change the amount or dates of payment of installments of principal or reduce the rate or extend the time of payment of the premium, if any, or interest with respect to the Certificates without the consent of the holder of each Certificate so affected, (2) reduce the amount of or extend the time of payment of any rentals payable under this Agreement or release or provide for the release of any of the Trust Equipment or any other property or cash held by the Trustee in trust, otherwise than as expressly permitted by the present terms of this Agreement, or (3) reduce the percentage of the aggregate unpaid principal amount of Certificates then outstanding, the holders of which are required to approve any amendment or to effect any waiver.

ARTICLE NINE

The Trustee

SECTION 9.01. Acceptance of Trust. The Trustee hereby accepts the trust imposed upon it by this Agreement and agrees to perform the same as herein expressed.

SECTION 9.02. Duties and Responsibilities of the Trustee. In case an Event of Default has occurred (which has not been cured), the Trustee shall exercise such of the rights and powers vested in it by this Agreement, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

No provision of this Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own wilful misconduct, except that

(a) prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred:

(1) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Agreement, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement, and no implied covenants

or obligations shall be read into this Agreement against the Trustee; and

(2) in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee and conforming to the requirements of this Agreement; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Agreement;

(b) the Trustee shall not be liable for any error of judgment made in good faith, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts or that its action or inaction was contrary to the express provisions of this Agreement;

(c) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of the required percentage of principal amount of the then outstanding Certificates specified in this Agreement, relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Agreement;

(d) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, Certificate, guarantee or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(e) the Trustee may consult with counsel, and any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with such Opinion of Counsel and not contrary to any express provisions of this Agreement;

(f) the Trustee shall be under no obligation to exercise any of its rights or powers vested in it by

this Agreement at the request, order or direction of any of the holders of the Certificates, pursuant to the provisions of this Agreement, unless such holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred therein or thereby; and

(g) the Trustee shall not be liable for any action taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Agreement.

SECTION 9.03. Application of Rentals. The Trustee agrees to apply the rentals received by it under Section 5.04(B) when and as the same shall be received, and to the extent that such rentals shall be sufficient therefor, for the purposes specified in Section 5.04(B).

The Trustee shall not be required to undertake any act or duty in the way of insuring, taking care of or taking possession of the Trust Equipment or to undertake any other act or duty under this Agreement until fully indemnified by the Company or by one or more of the holders of the Certificates against all liability and expenses; and the Trustee shall not be responsible for the filing or recording or refiling or rerecording of this Agreement or of any supplement hereto or statement of new numbers.

SECTION 9.04. Funds May Be Held by Trustee; Investments. Any funds at any time paid to or held by the Trustee hereunder until paid out by the Trustee as herein provided may be carried by the Trustee on deposit with itself without allowing interest thereon.

Any moneys at any time held by the Trustee or any paying agent hereunder shall, until paid out or invested by the Trustee or any paying agent as herein provided, be held by it in trust as herein provided for the benefit of the holders of the Certificates.

At any time, and from time to time, if at the time no Event of Default shall have occurred and be continuing, the Trustee, on Request, shall invest and reinvest Deposited Cash held by it or cash deposited with it pursuant to Section 5.07 or Section 5.08 (hereinafter in this Section called Replacement Funds) in Investments, at such prices, not in excess of fair market value at the time of investment, including any premium and accrued interest, as are set forth in such Request, such Investments to be held by the

Trustee in trust for the benefit of the holders of the Certificates.

The Trustee shall, on Request, or the Trustee may, in the event funds are required for payment against delivery of Trust Equipment or for payment of the principal of or the premium, if any, or interest on any Certificate, sell such Investments, or any portion thereof, and restore to Deposited Cash or Replacement Funds, as the case may be, the proceeds of any such sale up to the amount paid for such Investments, including accrued interest, or apply such proceeds for payment against delivery of Trust Equipment or for payment of said principal, premium, if any, or interest if and to the extent such proceeds are needed therefor pursuant to the provisions of this Agreement.

The Trustee shall restore to Deposited Cash or Replacement Funds, as the case may be, out of rent received by it for that purpose under the provisions of Section 5.04 (B)(1)(b), an amount equal to any expenses incurred in connection with any purchase or sale of Investments and also an amount equal to any loss of principal incident to the sale or redemption of any Investments for a sum less than the amount paid therefor, including accrued interest.

The Company, if not to the knowledge of the Trustee in Default, shall be entitled to receive any interest allowed as provided in the first paragraph of this Section and any interest (in excess of accrued interest paid from Deposited Cash or Replacement Funds at the time of purchase) or other profit which may be realized from any sale or redemption of Investments.

SECTION 9.05. Trustee Not Liable for Delivery Delays or Defects in Equipment or Title. The Trustee shall not be liable to anyone for any delay in the delivery of any of the Trust Equipment, or for any default on the part of the manufacturers thereof or of the Company, or for any defect in any of the Trust Equipment or in the title thereto, nor shall anything herein be construed as a warranty on the part of the Trustee in respect thereof or as a representation on the part of the Trustee in respect of the value thereof or in respect of the title thereto or otherwise.

The Trustee may perform its powers and duties with respect to the delivery and acceptance of the Trust Equipment by or through such attorney, agents and servants as it shall appoint, and shall be answerable only for its own

acts, negligence and wilful defaults and not for the default or misconduct of any attorney, agent or servant appointed by it in respect thereof with reasonable care.

The Trustee shall be entitled to receive payment of all of its expenses hereunder, including reasonable counsel fees, and to receive reasonable compensation for all services rendered by it in the execution of the trust hereby created, all of which shall be paid by the Company.

The Trustee in its individual capacity may own, hold and dispose of Certificates.

SECTION 9.06. Resignation and Removal; Appointment of Successor Trustee. (a) The Trustee may resign and be discharged of the trust created by this Agreement by giving 60 days' written notice to the Company and the registered holders of the then outstanding Certificates and such resignation shall take effect 60 days after the delivery thereof to the Company and the holders of the then outstanding Certificates or upon receipt by the Trustee of an instrument of acceptance executed by a successor trustee as hereinafter provided in Section 9.07.

(b) The Trustee may be removed at any time by an instrument in writing signed by the holders of a majority in principal amount of the then outstanding Certificates, delivered to the Trustee and to the Company.

(c) If at any time the Trustee shall resign or be removed or otherwise become incapable of acting or, if at any time a vacancy shall occur in the office of the Trustee for any other cause, a successor trustee may be appointed by the holders of a majority in principal amount of the then outstanding Certificates by an instrument in writing delivered to the Company and the Trustee. Until a successor trustee shall be appointed by the holders of the Certificates as herein authorized, the Company by an instrument in writing executed by order of its Board of Directors shall appoint a trustee to fill such vacancy. A successor trustee so appointed by the Company shall immediately and without further act be superseded by a successor trustee appointed by the holders of the Certificates in the manner provided above. Every successor trustee appointed pursuant to this Section shall be a national bank, or a bank or trust company organized under the laws of the United States of America or any state thereof and having capital and surplus of not less than $50,000,000, if there be such an institution willing,

qualified and able to accept the trust upon reasonable or customary terms.

(d) The Company shall give notice of each resignation, removal or incapacity of the then Trustee or of a vacancy occurring in the office of the Trustee for any other cause and of each appointment by the Company of a successor trustee pursuant to paragraph (c) of this Section by giving written notice of such event by overnight courier to the holders of all outstanding Certificates.

SECTION 9.07. Acceptance of Appointment by Successor Trustee. Any successor trustee appointed as provided in Section 9.06 shall execute, acknowledge and deliver to the Company and to its predecessor trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as Trustee herein; but, nevertheless, on the written request of the Company or of the successor trustee, upon payment of its charges then unpaid, the trustee ceasing to act shall execute and deliver an instrument transferring to such successor trustee all the rights and powers of the trustee so ceasing to act. Upon request of any such successor trustee, the Company shall execute any and all instruments for more fully vesting in and confirming to such successor trustee all such rights and powers. Any trustee ceasing to act shall, nevertheless, retain a lien upon all property or funds held or collected by such trustee to secure any amounts then due it pursuant to the provisions of the third paragraph of Section 9.05.

SECTION 9.08. Merger or Consolidation of Trustee. Any corporation qualified under the provisions of Section 9.06 into which the Trustee may be merged or with which it may be consolidated or any such corporation resulting from any merger or consolidation to which the Trustee shall be a party shall be the successor of the Trustee hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto.

SECTION 9.09. Return of Certain Moneys to Company. Notwithstanding any provision of this Agreement, any moneys paid to the Trustee which are applicable to the payment of the principal of or premium, if any, or interest on any Certificates which remain unclaimed for two years

after the day when such moneys were due and payable shall then be repaid to the Company upon Request, and the holders of such Certificates shall thereafter be entitled to look only to the Company for payment thereof and all liability of the Trustee with respect to such moneys shall thereupon cease; provided, however, that before the repayment of such moneys to the Company as aforesaid, the Trustee may first publish a notice, in such form as may be deemed appropriate by the Trustee, in respect of the Certificates so payable and not presented and in respect of the provisions hereof relating to the repayment to the Company of the moneys held for the payment thereof.

ARTICLE TEN

Prepayment of Certificates

SECTION 10.01. Right of Prepayment. The Certificates are required to be prepaid in part on the Surplus Deposit Date through the application of Deposited Cash to be applied thereto pursuant to the last paragraph of Section 4.04 hereof or, at the option of the Company, as provided in Section 5.08, at 100% of the principal amount thereof to be prepaid, together with accrued interest to the date fixed for prepayment. In addition, at the option of the Company, the Certificates may be prepaid in whole or in part on and after May 1, 1994, and (i) before May 1, 2001, at 100% of the principal amount thereof to be prepaid plus accrued interest plus the Make Whole Premium and (ii) on or after May 1, 2001, at 100% of the principiupal amount thereof to be prepaid plus accrued interest but without premium, and any such prepayment in part shall be applied pro rata to all remaining installments of principal. Except as provided in this Article Ten, Section 5.08 and Article Six hereof, Certificates may not be prepaid prior to the maturity thereof.

SECTION 10.02. Selection of Certificates for Prepayment; Notice. (a) On or at any time prior to the date fixed for prepayment, the Trustee shall select for prepayment a principal amount of Certificates so as to exhaust any Deposited Cash to be applied thereto pursuant to the last paragraph of Section 4.04 hereof or moneys deposited pursuant to Section 5.08 to be applied thereto. The Trustee shall select for prepayment a principal amount of Certificates registered in the name of each holder which bears the same ratio to the aggregate principal amount of Certificates to be prepaid as (y) the aggregate principal

amount of Certificates registered in the name of such holder on a date selected by the Trustee not more than 15 days prior to the selection by the Trustee of Certificates for prepayment on the Surplus Deposit Date bears to (z) the aggregate principal amount of Certificates outstanding on such date.

(b) The Trustee shall send a statement of prepayment by overnight courier at least five days prior to the prepayment date to the holders of Certificates to be prepaid in whole or in part, at their last addresses as they shall appear upon the registry books. Failure to furnish such statement, or any defect therein, as to any Certificate shall not affect the validity of the proceedings for the prepayment of any other Certificate. Any statement which is mailed in the manner herein provided shall be conclusively presumed to have been duly given, whether or not the holder receives the statement.

(c) The statement of prepayment to each holder shall (i) specify the date for prepayment and the Section of this Agreement pursuant to which such prepayment is to be made, (ii) state that prepayment of the principal amount of the Certificates or portions thereof to be prepaid will be made by the Trustee only from and out of Deposited Cash or moneys paid to the Trustee by the Company and applicable thereto and, subject to the provisions of Section 3.02, such prepayment will be made at the Corporate Trust Office, upon presentation and surrender of Certificates so to be prepaid, (iii) state the aggregate principal amount of Certificates to be prepaid in whole or in part, whether any premium thereon will be paid and the distinctive numbers of the Certificates of such holder to be prepaid and, in the case of any such Certificates to be prepaid in part, the principal amount thereof to be so prepaid, and (iv) state that from and after such prepayment date interest on such Certificates or on the portions thereof to be prepaid will cease to accrue. The holders of Certificates prepaid in part, may, at their option and upon surrender thereof, receive new Certificates for the principal amounts remaining unpaid without charge to such holders, or may note such prepayment on their Certificates without surrender thereof.

SECTION 10.03. Payment of Certificates Selected for Prepayment. The Certificates or portions thereof to be prepaid shall become due and payable on the prepayment date and from and after such date interest on such Certificates or portions thereof shall cease to accrue, and, there having been deposited with the Trustee on or before such date, an

amount in cash equal to the aggregate principal amount of all the Certificates or portions thereof to be prepaid and the premium, if any, and interest accrued thereon, such Certificates or portions thereof shall no longer be deemed to be outstanding hereunder and shall cease to be entitled to the benefits of this Agreement except to receive payment from the moneys reserved therefor in the hands of the Trustee. The Trustee shall hold the prepayment moneys in trust for the holders of the Certificates or portions thereof to be prepaid and (subject to the provisions of Section 3.02) shall pay the same to such holders respectively upon presentation and surrender of such Certificates, unless any holder at its option elects to note such prepayment on its Certificates without surrender thereof, as provided in Section 10.02(c).

Except as provided in Sections 3.02 and 10.02 hereof, all Certificates prepaid under this Article Ten shall be canceled by the Trustee and no Certificates shall be issued hereunder in place thereof.

ARTICLE ELEVEN

Miscellaneous

SECTION 11.01. Rights Confined to Parties and Holders. Nothing expressed or implied herein shall be construed to confer upon any person, firm or corporation, other than the parties hereto and the holders of the Certificates, any right, remedy or claim under or by reason of this Agreement or of any term, agreement or condition herein, and all the terms, agreements and conditions herein shall be for the sole and exclusive benefit of the parties hereto and their successors and of the holders of the Certificates.

SECTION 11.02. No Recourse. No recourse under this Agreement, or of the guarantee endorsed on any Certificate, shall be had against any person, solely by reason of the fact that he is a stockholder, officer or director of the Company, by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise; it being agreed that this Agreement and said guarantee are solely corporate obligations, and that no personal liability whatever shall attach to or be incurred by any person, solely by reason of the fact that he is a stockholder, officer or director of the Company, under or by reason of any of the terms, agreements or conditions

contained in this Agreement or in said guarantee, or implied therefrom, and that any and all such personal liability, either at common law or in equity, or by statute or constitution, is hereby waived as a condition of and consideration for the execution of this Agreement and said guarantee.

SECTION 11.03. Binding upon Assigns. Except as otherwise provided herein, the provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 11.04. Notices. Any notice required or permitted to be given by any party hereto to any other party shall be deemed to have been received by the addressee on the date of actual receipt (if such date is a business day, otherwise on the next business day), if transmitted by mail, telex, telecopy or similar transmission, or by hand or overnight courier, addressed as follows: (a) in the case of the Company, the address set forth for the Company in Section 2.01 hereof, or such other address as may hereafter be furnished to the Trustee in writing by the Company and (b) in the case of the Trustee, the Corporate Trust Office, or such other address as may hereafter be furnished to the Company in writing by the Trustee.

SECTION 11.05. Effect of Headings; Date Executed; Governing Law; and Counterparts. (a) The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

(b) This Agreement shall be deemed to have been executed on the date indicated below the signature of the officer of the Trustee who signed it on behalf of the Trustee.

(c) The provisions of this Agreement shall be governed by the laws of the State of New York.

(d) This Agreement is being executed in several counterparts, each of which is an original and all of which are identical. Each counterpart of this Agreement is to be deemed an original hereof and all counterparts collectively are to be deemed but one instrument. It shall not be necessary in making proof of this Agreement to produce or account for more than one counterpart.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this

instrument to be duly executed in its corporate name by its officer, thereunto duly authorized, all as of the date first above written, and each of the undersigned signatories hereto declares pursuant to 28 U.S.C. § 1746 under penalty of perjury that the foregoing is true and correct and was executed on the date indicated below its signature.

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, Trustee,

[Corporate Seal]

by _____
Vice President

Attest:

_____
Corporate Trust Officer

Executed on April 25, 1989.

TRAILER TRAIN COMPANY,

by _____
Treasurer

Executed on April , 1989

instrument to be duly executed in its corporate name by its officer, thereunto duly authorized, all as of the date first above written, and each of the undersigned signatories hereto declares pursuant to 28 U.S.C. § 1746 under penalty of perjury that the foregoing is true and correct and was executed on the date indicated below its signature.

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, Trustee,

[Corporate Seal]

by

_____
Vice President

Attest:

Executed on April , 1989.

_____
Corporate Trust Officer

TRAILER TRAIN COMPANY,

by T.D. Marion
_____
Treasurer

Executed on April 25, 1989

TRAILER TRAIN COMPANY
SCHEDULE I TO EQUIPMENT TRUST SERIES 48-B

Builder/Car Type	Contract No.	Number of Cars	Car Numbers (Inclusive)	Estimated Unit Price	Total	Estimated Month of Delivery
BETHLEHEM STEEL CORP.:						
89'4" Flush deck low level autorack flatcars - ETTX	T-3088-B	500	701131-701630	$ 47,360	$23,680,000	Feb. - May, 1989

T-53-B

April 13, 1989

SCHEDULE II
TO
EQUIPMENT TRUST
AGREEMENT B

10.30% Series B Equipment Trust Certificates Due May 1, 2004

Date Due	Total Payment	Interest Payment	Principal Payment	Principal Outstanding
11/1/89	*	*	$0.00	$10,000,000.00
05/1/90	$1,181,666.67	$515,000.00	$666,666.67	$9,333,333.33
11/1/90	$480,666.67	$480,666.67	$0.00	$9,333,333.33
05/1/91	$1,147,333.33	$480,666.67	$666,666.67	$8,666,666.67
11/1/91	$446,333.33	$446,333.33	$0.00	$8,666,666.67
05/1/92	$1,113,000.00	$446,333.33	$666,666.67	$8,000,000.00
11/1/92	$412,000.00	$412,000.00	$0.00	$8,000,000.00
05/1/93	$1,078,666.67	$412,000.00	$666,666.67	$7,333,333.33
11/1/93	$377,666.67	$377,666.67	$0.00	$7,333,333.33
05/1/94	$1,044,333.33	$377,666.67	$666,666.67	$6,666,666.67
11/1/94	$343,333.33	$343,333.33	$0.00	$6,666,666.67
05/1/95	$1,010,000.00	$343,333.33	$666,666.67	$6,000,000.00
11/1/95	$309,000.00	$309,000.00	$0.00	$6,000,000.00
05/1/96	$975,666.67	$309,000.00	$666,666.67	$5,333,333.33
11/1/96	$274,666.67	$274,666.67	$0.00	$5,333,333.33
05/1/97	$941,333.33	$274,666.67	$666,666.67	$4,666,666.67
11/1/97	$240,333.33	$240,333.33	$0.00	$4,666,666.67
05/1/98	$907,000.00	$240,333.33	$666,666.67	$4,000,000.00
11/1/98	$206,000.00	$206,000.00	$0.00	$4,000,000.00
05/1/99	$872,666.67	$206,000.00	$666,666.67	$3,333,333.33
11/1/99	$171,666.67	$171,666.67	$0.00	$3,333,333.33
05/1/00	$838,333.33	$171,666.67	$666,666.67	$2,666,666.67
11/1/00	$137,333.33	$137,333.33	$0.00	$2,666,666.67
05/1/01	$804,000.00	$137,333.33	$666,666.67	$2,000,000.00
11/1/01	$103,000.00	$103,000.00	$0.00	$2,000,000.00
05/2/02	$769,666.67	$103,000.00	$666,666.67	$1,333,333.33
11/1/02	$68,666.67	$68,666.67	$0.00	$1,333,333.33
05/1/03	$735,333.33	$68,666.67	$666,666.67	$666,666.67
11/1/03	$34,333.33	$34,333.33	$0.00	$666,666.67
05/1/04	$701,000.00	$34,333.33	$666,666.67	$0.00

* Interest will accrue from the date of issuance.