NEW NUMBER
$50

LAW OFFICES
ALVORD AND ALVORD
200 WORLD CENTER BUILDING
918 SIXTEENTH STREET, N.W.
WASHINGTON, D.C.
20006-2973

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD
ALBERT H. GREENE
CARL C. DAVIS*
CHARLES T. KAPPLER
JOHN H. DOYLE
MILTON C. GRACE*
GEORGE JOHN KETO**
RICHARD N. BAGENSTOS

* NOT A MEMBER OF D.C. BAR
**ALSO A MEMBER OF OHIO BAR

OF COUNSEL
JESS LARSON
JOHN L. INGOLDSBY
URBAN A. LESTER

CABLE ADDRESS
"ALVORD"

TELEPHONE
AREA CODE 202
393-2266

TELEX
440367 A AND A
440448 CDAA UI

14357

RECORDATION NO. ..... Filed 1425

June 28, 1984

4-180A055

JUN 28 1984 -12 25 PM

INTERSTATE COMMERCE COMMISSION

No.

Date ...JUN.28.1984..

Fee $ ..50.00.....

ICC Washington, D. C.

Mr. James H. Bayne
Secretary
Interstate Commerce Commission
Washington, D.C.

Dear Mr. Bayne:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. §11303(a) are four fully executed copies of a Finance and Security Agreement dated as of June 1, 1984, a "primary document" as that term is defined in 49 C.F.R. §1177.1(a).

A general description of the railroad equipment covered by the enclosed document is set forth in Exhibit A attached hereto and made a part hereof.

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

Debtor: State Street Bank and Trust Company, as Lessor
225 Franklin Street
Boston, Massachusetts 02101

Secured Party: Schroder Leasing Corporation
One State Street
New York, New York 10004

RECEIVED JUN 28 12 20 PM '84 I.C.C. FEE OPERATION BR

Kindly return three stamped copies of the enclosed document to Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth Street, N.W., Washington, D.C. 20006 or the bearer herof.

Also enclosed is a check in the amount of $50 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Charles T. Kappler

A short summary of the enclosed primary document to appear in the Commission's Index is:

> Railroad Equipment Lease dated as of June 1, 1984 between State Street Bank and Trust Company, Lessor, and Greenbrier Leasing Corporation, Lessee, relating to up to four hundred (400) reconditioned railroad cars.

Very truly yours,

Charles T. Kappler

Charles T. Kappler

Exhibit A

DESCRIPTION OF EQUIPMENT

Number of Items	Description
400	70-Ton Trailer-On-Flatcars/ Container-On-Flatcars or Container-On-Flatcars

Identifying Mark and Numbers

SP-901200-901459
SP-901500-901749

SP-910001	SP-910041
SP-910002	SP-910042
SP-910003	SP-910043
SP-910005	SP-910045
SP-910006	SP-910046
SP-910007	SP-910047
SP-910011	SP-910051
SP-910012	SP-910052
SP-910013	SP-910053
SP-910015	SP-910055
SP-910016	SP-910056
SP-910017	SP-910057
SP-910021	SP-910061
SP-910022	SP-910062
SP-910023	SP-910063
SP-910025	SP-910065
SP-910026	SP-910066
SP-910027	SP-910067
SP-910031	SP-910071
SP-910032	SP-910072
SP-910033	SP-910073
SP-910035	SP-910075
SP-910036	SP-910076
SP-910037	SP-910077

SP-910101	SP-910141	SP-910181	SP-910225
SP-910102	SP-910142	SP-910182	SP-910226
SP-910103	SP-910143	SP-910183	SP-910227
SP-910105	SP-910145	SP-910185	SP-910231
SP-910106	SP-910146	SP-910186	SP-910232
SP-910107	SP-910147	SP-910187	SP-910233
SP-910111	SP-910151	SP-910191	SP-910235
SP-910112	SP-910152	SP-910192	SP-910236
SP-910113	SP-910153	SP-910193	SP-910237
SP-910115	SP-910155	SP-910195	SP-910301
SP-910116	SP-910156	SP-910196	SP-910302
SP-910117	SP-910157	SP-910197	SP-910303
SP-910121	SP-910161	SP-910201	SP-910305
SP-910122	SP-910162	SP-910202	SP-910306
SP-910123	SP-910163	SP-910203	SP-910307
SP-910125	SP-910165	SP-910205	SP-910311
SP-910126	SP-910166	SP-910206	SP-910312
SP-910127	SP-910167	SP-910207	SP-910313
SP-910131	SP-910171	SP-910211	SP-910315
SP-910132	SP-910172	SP-910212	SP-910316
SP-910133	SP-910173	SP-910213	SP-910317
SP-910135	SP-910175	SP-910215	SP-910321
SP-910136	SP-910176	SP-910216	SP-910322
SP-910137	SP-910177	SP-910217	SP-910323
		SP-910221	SP-910325
		SP-910222	SP-910326
		SP-910223	SP-910327

RECORDATION NO. 14357 Filed 1425

JUN 28 1984 -12 25 PM

INTERSTATE COMMERCE COMMISSION

FINANCE AND SECURITY AGREEMENT

Dated as of June 1, 1984,

Between

STATE STREET BANK AND TRUST COMPANY

as Lessor

and

SCHRODER LEASING CORPORATION

as Lender

relating to

Up to 400 Reconditioned Railroad Cars

2909C

FINANCE AND SECURITY AGREEMENT

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ATTACHMENTS TO FINANCE AND SECURITY AGREEMENT:

Exhibit A - Description of Equipment

Exhibit B - Definitions

Exhibit C - Form of 14% Secured Nonrecourse Note

Exhibit D - Description of Opinion of Counsel for Lessor

FINANCE AND SECURITY AGREEMENT

THIS FINANCE AND SECURITY AGREEMENT dated as of June 1, 1984, between STATE STREET BANK AND TRUST COMPANY, a Massachusetts corporation ("Lessor") and SCHRODER LEASING CORPORATION, a New York corporation ("Lender").

W I T N E S S E T H :

WHEREAS, Lessor has purchased or agreed to purchase up to 400 used multilevel railroad cars and in any event all such railroad cars as are accepted by Lessor on or prior to December 26, 1984 pursuant to the Reconditioning Agreement dated as of June 1, 1984 between Lessor and Greenbrier Leasing Corporation (the "Hulks") which are being reconditioned and modified for trailer-on-flatcar/ container-on-flatcar use, which cars are more fully described in Exhibit A hereto (such cars, as reconditioned and modified, hereinafter called individually, a "Unit" and collectively, the "Units" or the "Equipment");

WHEREAS, Lessor proposes to enter into that certain Railroad Equipment Lease dated as of the date hereof (the "Lease") with Greenbrier Leasing Corporation, a Delaware corporation ("Lessee");

WHEREAS, Lessor proposes to (i) complete the acquisition and reconditioning of the Equipment; (ii) lease each Unit to Lessee under the Lease simultaneously with its payment of the cost of reconditioning such Unit; (iii) finance a portion of the purchase price and reconditioning cost of the Equipment by issuing and selling its Notes on a nonrecourse basis to Lender; and (iv) secure its obligations under the Notes by a grant hereunder to Lender of a security interest in the Equipment and the Lease;

WHEREAS, the defined terms in Exhibit B annexed hereto are hereby incorporated herein;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants contained herein, the parties hereto agree as follows.

1. Issuance and Sale of the Notes.

1.1 Purchase by Lender. Subject to fulfillment of the conditions specified in Section 1.3 hereof, Lender shall purchase from Lessor on each Closing Date a Note or Notes

with respect to the Delivered Units in the respective aggregate principal amounts determined as provided in Section 1.2 hereof and payable to the order of Lender or to the order of such nominee of Lender as Lender may specify by written notice delivered to Lessor not less than three days prior to such Closing Date, or to the registered holder thereof. Each such Note shall be purchased at a price equal to 100 percent of the principal amount of such Note, shall be dated such Closing Date and shall bear interest and be repayable as provided in Exhibit C annexed hereto.

1.2 Closings. Each Closing shall take place on each Closing Date at the offices of Winthrop, Stimson, Putnam & Roberts, Counsel for Lender, 40 Wall Street, New York, New York. Lessor shall give Lender at least five days notice prior to each Closing Date (which notice may be telephonic, confirmed in writing) of the nature and description of, and the Lessor's Cost and the Purchase Commitment for, the Delivered Units. On such Closing Date, Lender shall make available to Lessor the purchase Commitment for the Delivered Units in immediately available funds. Upon receipt of such amount, Lessor will simultaneously pay for such Units by paying the Lessor's Cost of such Units (or such portion of the Lessor's Cost as has not previously been paid) and deliver to Lender as provided in Section 1.1 hereof its Note or Notes in an aggregate principal amount equal to the Purchase Commitment for the Delivered Units.

1.3 Conditions Precedent to Purchase of Notes: Document Closing Date. The obligation of Lender to purchase a Note or Notes hereunder on each Closing Date with respect to each Delivered Unit for such Closing Date shall be subject to fulfillment of the following conditions on or prior to the Document Closing Date to the satisfaction of Lender:

(a) Fully executed copies of this Agreement and the Lease shall have been delivered to Lender.

(b) The Lease and this Agreement shall have been duly filed and recorded in conformity with 49 USC Section 11303 of the Interstate Commerce Act and in such other places within the United States as may be necessary for the protection of the title of Lessor to, or the security interest of Lender in, the Equipment.

(c) Lender shall have received certificates of such insurance, if any, as Lessee is required to maintain pursuant to Section 23 of the Lease.

(d) Lender shall have received certified copies of the appropriate corporate proceedings of the respective boards of directors of Lessor and Lessee with respect to the authorization of this Agreement, the Notes, the Lease and the other instruments contemplated herein and therein and to the execution, delivery and performance thereof by the respective party, each such certificate to be dated the Document Closing Date.

(e) Lender shall have received certified copies of the organizational documents of Lessor and Lessee.

(f) The representations and warranties of Lessor contained herein, of Lessee contained in the Lease and of each such party in any certificate delivered pursuant thereto and hereto shall be true and correct on and as of the Document Closing Date with the same effect as though made on and as of the Document Closing Date; on the Document Closing Date there shall be no default hereunder or under the Lease or the occurrence of any event which, but for the lapse of time or the giving of notice or both, would be such a default; and Lender shall have received from each of Lessor and Lessee a certificate to such effect respecting the representations, warranties and nondefault, dated the Document Closing Date and signed by a duly authorized representative of Lessor or Lessee, as the case may be.

(g) Lender shall have received a signed opinion, dated the Document Closing Date, of (i) such legal counsel for Lessor as is acceptable to Lender covering the matters described in Exhibit D annexed hereto, (ii) such legal counsel for Lessee as is acceptable to Lender covering the matters described in Exhibit E annexed to the Lease; and (iii) of its legal counsel in form and substance satisfactory to it.

(h) Lender shall have received certificates, dated the Document Closing Date, of Lessor and Lessee showing the incumbency and the specimen signatures of the officers of Lessor and Lessee who will execute this Agreement, the Notes, the Lease and the other instruments contemplated herein and therein.

(i) Lender shall have received such evidence of fulfillment of the foregoing conditions of this Section 1.3 including, without limitation, certificates of

officers of Lessee, Lessor, public officials and others, as Lender may reasonably require to establish to its satisfaction the fulfillment of such conditions.

1.4 Conditions Precedent to Purchase of Notes: Closing Dates. The obligation of Lender to purchase a Note or Notes hereunder on any Closing Date with respect to any Delivered Unit for such Closing Date shall be subject to fulfillment of the following further conditions on or prior to such Closing Date to the satisfaction of Lender:

(a) Lender shall have received the Notes to be purchased by Lender with respect to such Unit.

(b) Lender shall have received a copy of a Bill of Sale from the seller of each Hulk to Lessor evidencing the transfer of title thereto to Lessor.

(c) Lender shall have received an invoice of the contractor performing the reconditioning and modification services on the Hulks for the reconditioning and modification costs.

(d) Lender shall have received an executed Certificate of Completion with respect to such Unit as contemplated by Section 3(c) of the Lease, acknowledged and accepted by Lessor.

(e) Lender shall have received an executed Certificate of Acceptance with respect to such Unit as contemplated by Section 3(c) of the Lease.

(f) The representations and warranties of Lessor contained herein, of Lessee contained in the Lease and of each such party in any certificate delivered pursuant thereto and hereto shall be true and correct on and as of such Closing Date with the same effect as though made on and as of such Closing Date; on such Closing Date there shall be no default hereunder or under the Lease or occurrence of any event which, but for the lapse of time or the giving of notice or both, would be such a default; and Lender shall have received from each of Lessor and Lessee a certificate to such effect, dated such Closing Date and signed by a duly authorized representative of Lessor and Lessee, as the case may be.

(g) The conditions set forth in Section 3(c) of the Lease shall have been fulfilled with respect to such Unit.

(h) Lender shall have received such evidence of fulfillment of the foregoing conditions of this Section 1.4 including, without limitation, certificates of officers of Lessee, Lessor, public officials and others, as Lender may reasonably require to establish to its satisfaction the fulfillment of such conditions.

1.5 Representations and Warranties.

(a) Lessor. Lessor represents and warrants that:

(1) Lessor is a trust company duly organized, validly existing and in good standing under the laws of the Commonwealth of Massachusetts.

(2) Lessor has full power and authority to execute, deliver and perform this Agreement, the Lease and the Notes.

(3) This Agreement and the Lease have each been duly authorized, executed and delivered by Lessor and constitute legal, valid and binding obligations of Lessor enforceable against it in accordance with the terms thereof, subject to bankruptcy, reorganization and other laws of general application relating to the enforcement of creditors' rights.

(4) The Notes have been duly authorized by Lessor and, when executed and delivered by Lessor, will constitute legal, valid and binding obligations of Lessor enforceable against it in accordance with the terms thereof.

(5) No authorization, consent or approval of any governmental authority is required for the execution, delivery or performance by Lessor of this Agreement, the Lease or the Notes.

(6) Neither the execution, delivery or performance by Lessor of this Agreement, the Lease and the Notes, nor compliance with the terms and provisions thereof, conflicts or will conflict with or will result in a breach or

violation of any of the conditions or provisions of any law, governmental rule or regulation or the charter documents, as amended, or by-laws, as amended, of Lessor, or any order, writ, injunction or decree of any court or governmental authority against Lessor or by which it or any of its properties is bound, or of any indenture, mortgage or contract or other agreement or instrument to which Lessor is a party or by which it or any of its properties is bound, or constitutes or will constitute a default thereunder or will result in the imposition of any lien upon any of its properties.

(7) Neither Lessor nor, to its knowledge, anyone acting on its behalf has directly or indirectly offered any Notes, or similar securities relating to the Units, for sale to, or solicited any offer to acquire any of the same from, anyone other than Lender.

(8) Lessor will acquire its interest in the Units with its general assets and no funds used to acquire any Unit will be furnished directly or indirectly out of the assets of or in connection with any employee benefit plan (or its related trust) as defined in Section 3 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

(b) Lender. Lender represents and warrants that:

(1) Lender is acquiring the Notes for its own account for investment and not with a view to the distribution or resale thereof, subject to any requirement of law that the disposition of the Notes be at all times within its control.

(2) Lender understands that the Notes have not been registered under the Securities Act of 1933, as amended, and that the Notes must be held indefinitely unless subsequent disposition thereof is registered under said Act or is a transaction exempt from registration.

(3) Each Note to be issued and sold to such party pursuant hereto is being acquired by it with its general assets, and no funds used to acquire any Note will be furnished directly or indirectly out of the assets of or in connection with any employee benefit plan (or its related trust) other than a governmental plan, in each case as defined in ERISA.

(4) Each purchase of a Note by Lender shall constitute a reaffirmation as of the date of acquisition of its representations and warranties contained in this Section 1.5(b).

2. Grant of Security. Lessor in consideration of the premises and of the sum of Ten Dollars received by Lessor from Lender and other good and valuable consideration, receipt whereof is hereby acknowledged, and in order to secure the payment of the principal of and interest on the Notes according to their tenor and effect, and to secure the payment of all other indebtedness hereby secured and the performance and observance of all covenants and conditions in the Notes and in this Agreement contained, does hereby convey, warrant, mortgage, assign, pledge and grant Lender, its successors and assigns, a security interest in, all and singular of Lessor's right, title and interest in and to the properties, rights, interests and privileges described in Sections 2.1 and 2.2 hereof, subject always to the limitations set forth in Section 2.3 hereof and to Excepted Rights in Collateral as defined in Section 2.5 hereof (all of which properties hereby mortgaged, assigned and pledged or intended so to be are hereinafter collectively referred to as the "Collateral").

2.1 Equipment Collateral. The Collateral includes the Units described in Exhibit A hereto constituting the Units leased under the Lease, together with all accessories, equipment, parts and appurtenances appertaining or attached to any thereof, whether now owned or hereafter acquired, and all substitutions, renewals or replacements of and additions, improvements, accessions and accumulations to any and all thereof, except such thereof as remain the property of Lessee under the Lease, together with all the rents, issues, income, profits and avails therefrom.

2.2 Rental Collateral. The Collateral also includes all right, title, interest, claims and demands of

Lessor in, to and under the Lease, including any extensions of the term of the Lease with respect to the Equipment, together with all rights, powers, privileges, options and other benefits of Lessor under the Lease, including, without limitation:

(1) the immediate and continuing right to receive and collect all rental and loss value payments, insurance proceeds, condemnation awards and other payments, tenders and security (except those sums reserved as Excepted Rights in Collateral under Section 2.5 hereof) now or hereafter payable to or receivable by Lessor under the Lease pursuant thereto;

(2) the right to make all waivers and agreements and to enter into any amendments relating to the Lease or any provision thereof except with regard to Excepted Rights in Collateral under Section 2.5 hereof; and

(3) the right to take such action upon the occurrence of an Event of Default under the Lease or an event which, with the lapse of time or the giving of notice, or both, would constitute an Event of Default under the Lease, including the commencement, conduct and consummation of legal, administrative or other proceedings, as shall be permitted by the Lease or by Lessor or any lessor is or may be entitled to do under the Lease;

It being the intent and purpose hereof that subject always to Excepted Rights in Collateral (as defined in Section 2.5 hereof), the assignment and transfer to Lender of said rights, powers, privileges, options and other benefits shall be effective and operative immediately and shall continue in full force and effect, and Lender shall have the right to collect and receive all rental and loss value payments and other sums for application in accordance with the provisions of Section 5 hereof at all times during the period from and after the date of this Agreement until the indebtedness hereby secured has been fully paid and discharged.

2.3 Limitations to Security Interest. The security interest granted by this Section 2 is subject to (a) the rights of Lessee under the Lease, (b) Liens permitted under Section 19 of the Lease, and (c) Liens resulting from claims against Lessor but not against Lessee and not resulting from any default of Lessee, in each case which are not delinquent or which are being contested or protested by Lessor in good

faith and by appropriate proceedings diligently conducted, if such proceedings stay the collection thereof against Lessor, Lender and the Equipment (collectively, "Permitted Liens").

2.4 Duration of Security Interest. Lender, its successors and assigns shall have and hold the Collateral forever; provided always, however, that such security interest is granted upon the express condition that if Lessor shall pay or cause to be paid all the indebtedness hereby secured, whether pursuant to Section 6.3(b) hereof or otherwise, and shall observe, keep and perform all the terms and conditions, covenants and agreements to be observed, kept and performed by Lessor herein and in the Notes contained, then these presents and the estate hereby granted and conveyed shall cease and this Agreement shall become null and void; otherwise, to remain in full force and effect.

2.5 Excepted Rights in Collateral. Subject to the proviso hereto, there are expressly excepted and reserved from the security interest and operation of this Agreement the following described properties, rights, interests and privileges (herein sometimes referred to as the "Excepted Rights in Collateral") and nothing herein or in any other agreement contained shall constitute an assignment of said Excepted Rights in Collateral to Lender.

(a) all payments of any indemnity under Sections 12, 13 and 14 of the Lease or of any amounts under Section 28 of the Lease which are payable to Lessor for its own account;

(b) all rights of Lessor under the Lease to demand, collect, sue for or otherwise obtain all amounts from Lessee, due Lessor on account of any such indemnities or payments, provided that the rights excepted and reserved by this paragraph (b) shall not be deemed to include the exercise of any remedies provided for in Section 21(b) of the Lease except those contained in Section 21(b)(1) thereof; and

(c) any insurance proceeds payable under public liability policies maintained by the Lessee pursuant to Section 23 of the Lease which by the terms of such policies or the terms of the Lease are payable directly to Lessor for its own account.

3. Covenants of Lessor. Lessor covenants and agrees as follows:

3.1 Special Warranty; Discharge of Liens. Lessor represents and warrants that it has the right, power and authority to grant a security interest in the Collateral to Lender for the uses and purposes herein set forth, and that on each Closing Date, Lessor will have whatever title to the Equipment as was conveyed to it by the seller thereof pursuant to a Bill of Sale, free and clear of any lien, charge or encumbrance arising as a result of claims against Lessor not related to the transactions contemplated hereby or resulting from acts or omissions of Lessor, other than this Agreement and Permitted Liens.

Lessor hereby agrees that at all times the Collateral shall be free of any lien, charge or encumbrance arising as a result of claims against Lessor not related to the transactions contemplated hereby or resulting from acts or omissions of Lessor, other than this Agreement and Permitted Liens, and that Lessor will at its own cost and expense, without regard to the provisions of Section 7 hereof, promptly take such action as may be necessary duly to discharge any such lien, charge or encumbrance unless Lessor shall, in good faith and by appropriate legal proceedings, be contesting the validity thereof in any reasonable manner which will prevent any adverse effect on or danger to the title and interest of Lender hereunder; and Lessor further agrees to indemnify and hold harmless Lender from and against any costs or expenses (including legal fees and expenses) incurred, in each case, as a result of the imposition or enforcement of any such lien, charge or encumbrance. Without limiting the foregoing, there is no financing statement or other filed or recorded instrument in which Lessor is named and which Lessor has signed, as debtor or mortgagor, now on file in any public office covering any of the Collateral excepting the financing statement or other instruments filed or to be filed in respect of and for the security interest provided for herein.

3.2 Further Assurances. Lessor will, at no expense to Lender, do, execute, acknowledge and deliver all and every further acts, deeds, conveyances, transfers and assurances necessary or proper for the perfection of the security interest being herein provided for in the Collateral, whether now owned or hereafter acquired. Without limiting the foregoing but in furtherance of the security interest herein granted in the rents and other sums due and to become due under the Lease, Lessor covenants and agrees that it will, upon request and pursuant to Section 20(a) of the Lease, notify Lessee of the assignment hereunder and direct Lessee

to make all payments of such rents and other sums due and to become due under the Lease in respect of Collateral, other than Excepted Rights in Collateral, directly to Lender or as Lender may direct.

3.3 After-Acquired Property. Any and all property described or referred to in the granting clauses hereof which is hereafter acquired shall ipso facto, and without any further conveyance, assignment or act on the part of Lessor or Lender, become and be subject to the security interest herein granted as fully and completely as though specifically described herein, but nothing in this Section 3.3 contained shall be deemed to modify or change the obligation of Lessor under Section 3.2 hereof.

3.4 Recordation and Filing. Lessor will, at Lessee's expense, execute any and all such supplements hereto and to the Lease and any and all financing and continuation statements and similar notices as may from time to time be requested by Lender and, at Lessee's expense, cooperate in the recordation and filing thereof in order fully to perfect, preserve and protect the rights of Lender hereunder, and will, at Lessee's expense, cause Lessee to furnish to Lender promptly after the execution and delivery of this Agreement an opinion of counsel stating that in the opinion of such counsel, this Security Agreement has been properly recorded or filed for record so as to make effective of record the security interest intended to be created hereby. Lender agrees to look solely to Lessee for all recordations, filings and related opinions of counsel required by this Section 3.4.

3.5 Modifications of the Lease. Lessor will not:

(a) except in respect of Excepted Rights in Collateral, declare a default or exercise the remedies of Lessor under, or terminate, modify or accept a surrender of, or offer or agree to any termination, modification or surrender of, the Lease in respect of the Equipment (except as otherwise expressly provided herein) or by affirmative act consent to the creation or existence of any Lien to secure the payment of indebtedness upon the leasehold estate created by the Lease in respect of any of the Equipment;

(b) except in respect of Excepted Rights in Collateral, receive or collect any rental payment under the Lease in respect of the Equipment prior to the date for payment thereof provided for by the Lease or assign,

transfer or hypothecate (other than to Lender hereunder) any rental payment then due or to accrue in the future under the Lease in respect of the Equipment; or

(c) except in respect of Excepted Rights in Collateral, sell, mortgage, transfer, assign or hypothecate (other than to Lender hereunder) its interest in any of the Equipment or in any amount to be received by it from the use or disposition of the Equipment.

3.6 Power of Attorney in Respect of the Lease. Lessor does hereby irrevocably constitute and appoint Lender its true and lawful attorney with full power of substitution, for it and in its name, place and stead, to ask, demand, collect, receive, receipt for, sue for, compound and give acquittance for any and all rents, income and other sums which are assigned under Sections 2.1 and 2.2 hereof with full power to settle, adjust or compromise any claim thereunder as fully as Lessor could itself do, and to endorse the name of Lessor on all commercial paper given in payment or in part payment thereof, and in its discretion to file any claim or take any other action or proceedings, either in its own name or in the name of Lessor or otherwise, which Lender may deem necessary or appropriate to protect and preserve the right, title and interest of Lender in and to such rents and other sums and the security intended to be afforded hereby.

3.7 Notice of Default. Lessor further covenants and agrees that it will give Lender prompt written notice of any event or condition constituting an Event of Default under the Lease if Lessor has actual knowledge of such event or condition.

4. Possession, Use and Release of Property.

4.1 Possession of Collateral. So long as no Event of Default hereunder has occurred and is continuing, Lessor shall be suffered and permitted to remain in full possession, enjoyment and control of the Equipment and to manage, operate and use the same and each part thereof with the rights and franchises appertaining thereto; provided always, that the possession, enjoyment, control and use of the Equipment shall at all times be subject to the observance and performance of the terms of this Agreement. It is expressly understood that the use and possession of the Equipment by Lessee under and subject to the Lease or by any sublessee or assignee permitted under Section 20(b) of the Lease shall not constitute a violation of this Section 4.1.

4.2 Release of Property. So long as no Event of Default under, and as defined in, Section 21(a) of the Lease has occurred and is continuing to the knowledge of Lender, Lender shall execute such instruments (in due form for recording) as may be reasonably requested and furnished by Lessee or Lessor releasing from this Agreement any Unit of Equipment designated by Lessee for settlement pursuant to Section 15 of the Lease upon receipt from Lessee of written notice designating the Unit of Equipment in respect of which the Lease will terminate and the receipt from Lessee or Lessor of all sums payable for such unit in compliance with Section 15 of the Lease. After payment in full of all the principal of, and interest on, all Notes, Lender shall, upon the written request of Lessor, execute and deliver to, or as directed in writing, by Lessor, such instruments (in due form for filing and recording) as may be reasonably requested and furnished by Lessor, releasing the Equipment from, and terminating and discharging, this Agreement and the security interests created hereby or pursuant hereto.

4.3 Protection of Purchaser. No purchaser of property being released under Section 4.2 hereof shall be bound to ascertain the authority of Lender to execute the instruments of release, or to inquire as to any facts required by the provisions hereof for the exercise of such authority; nor shall any purchaser of all or part of the Collateral be under obligation to ascertain or inquire into the conditions upon which any such sale is hereby authorized.

5. Application of Assigned Rentals and Certain Other Moneys Received by Lender.

5.1 Application of Rents and Other Payments. As more fully set forth in Section 2.2 hereof, Lessor has hereby granted to Lender a security interest in rents, issues, profits, income and certain other sums due and to become due under the Lease in respect of the Equipment as security for the Notes. So long as no event of Default as defined in Section 6 hereof has occurred and is continuing:

(a) (1) The amounts from time to time received by Lender which constitute payment by Lessee under the Lease of the installments of Basic Rent under the Lease shall be applied first, to the payment of the installments of principal and interest (and in each case first to interest and then to principal) on the Notes which have matured or will mature on or before the due date of the installments of rental which are received by Lender and

then the balance, if any, of such amounts shall be paid to or upon the order of Lessor not later than the first business day following the receipt thereof, and (ii) the amounts, if any, from time to time received by Lender which constitute Payments of Additional Rent under the Lease (other than payments of Loss Value and any such amounts which under the terms of the Lease are payable directly to Lender) shall be paid to or upon the order of Lessor.

(b) The amounts from time to time received by Lender which constitute settlement by Lessee of the "Loss Value" for any Unit of Equipment pursuant to Section 15 of the Lease or "Termination Value" for any Unit of Equipment pursuant to Section 8 of the Lease shall be applied by Lender as follows.

(1) First, an amount equal to the accrued and unpaid interest on that portion of the Notes to be prepaid pursuant to the following subparagraph (2) shall be applied on the Notes;

(2) Second, an amount equal to the Loan Value of such Unit of Equipment for which settlement is then being made shall be applied to the prepayment of the Notes without premium, and each of the remaining installments of each Note shall be reduced in the proportion that the principal amount of the prepayment bears to the unpaid principal amount of the Notes immediately prior to the prepayment; and

(3) Third, the balance, if any, of such amounts held by Lender after making the applications provided for by the preceding subparagraphs (1) and (2) shall be released to or upon the order of Lessor on the date of payment of the amounts provided in the preceding clauses (1) and (2).

For the purposes of this Section 5.1(b), the "Loan Value," in respect of any Unit of Equipment, shall be an amount equal to the product of (A) a fraction, the numerator of which is an amount equal to the Lessor's Cost (as defined in the Lease) of such Unit for which settlement is then being made and the denominator of which is the aggregate Lessor's Cost of all Equipment then subject to the Lease (including the Lessor's Cost of

such Unit for which settlement is then being made), times (B) the unpaid principal amount of Notes immediately prior to the prepayment provided for in this Section 5.1(b) (after giving effect to all payments of installments of principal made or to be made on the date of prepayment provided for in this Section 5.1(b)).

(c) The amounts received by Lender from time to time which constitute proceeds of casualty insurance maintained by Lessee in respect of the Equipment or payments from any governmental entity or other person in connection with the requisition, seizure or forfeiture of any Unit of Equipment, shall be held by Lender as part of the Collateral and shall be applied by Lender from time to time as follows:

(1) If such amounts relate to an event which does not constitute an Event of Loss under the Lease, Lender shall apply such amounts in accordance with the applicable provisions of Section 23 of the Lease; and

(2) If such amounts relate to an event which does not constitute an Event of Loss under the Lease, Lender shall apply such amounts, subject to the applicable provisions of Section 15 of the Lease, as follows:

(A) First, to the prepayment of the Notes in the manner and to the extent provided for by clauses First and Second of Section 5.1(b) hereof; and

(B) Second, the balance, if any, of such amounts held by Lender after making the applications provided for by the preceding subparagraph (A) shall be released to or upon the order of Lessor on the date of such prepayment of the Notes.

5.2 Multiple Notes. If more than one Note is outstanding at the time any such application is made, such application shall be made on all outstanding Notes ratably in accordance with the aggregate principal amount remaining unpaid thereon.

5.3 Default. If an Event of Default referred to in Section 6 hereof has occurred and is continuing, all amounts

received by Lender pursuant to Section 2.2 hereof shall be applied in the manner provided for in Section 6 in respect of proceeds and avails of the Collateral.

6. Defaults and Other Provisions.

6.1 Events of Default. The term "Event of Default" for purposes of this Agreement shall mean any of the following:

(a) Default in payment of an installment of the principal of, or interest on, any Note, when and as the same shall become due and payable, whether at the due date thereof or at the date fixed for prepayment or by acceleration or otherwise, and, subject to the provisions of Section 21(c) of the Lease, such default shall continue unremedied for 10 days; or

(b) An Event of Default (as defined in the Lease) shall have occurred and be continuing under the Lease; or

(c) Lessor is generally not paying its debts as such debts become due or becomes insolvent or bankrupt or admits in writing its inability to pay its debts as they mature or makes an assignment for the benefit of creditors, or applies for or consents to the appointment of a trustee or receiver for any of its properties or assets; or

(d) Any proceedings shall be commenced by or against Lessor for any relief which includes, or might result in, any modification of the obligations of Lessor under this Agreement or any other document or instrument furnished to Lender in connection herewith or therewith or pursuant hereto or thereto, under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustments of the obligations of Lessor hereunder under any such other document or instrument), and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of Lessor under this Agreement or under any such other document or instrument, as the case may be, shall not have been and shall not

continue to have been duly assumed in writing pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed (whether or not subject to ratification) for Lessor or for the property of Lessor in connection with any such proceedings in such manner that such obligations shall have the same status as expenses of administration and obligations incurred by such a trustee or trustees or receiver or receivers, within 30 days after such appointment, if any, or 60 days after such proceedings shall have been commenced, whichever shall be earlier; or

(e) Any representation or warranty made by Lessor in this Agreement or in any certificate or other statements furnished by Lessor to Lender under this Agreement shall prove to be untrue in any material respect as of the date of the issuance or making thereof.

6.2 Lender's Rights. Lessor agrees that when any Event of Default, as defined in Section 6.1 hereof, has occurred and is continuing, and, in respect of an Event of Default referred to in Section 6.1(a) hereof, after the Lease shall have been declared in default, but subject always to Section 7 hereof, Lender may exercise any one or more or all, and in any order, of the remedies hereinafter set forth (but subject to the rights of Lessor under Section 6.3 hereof), it being expresly understood that no remedy herein conferred is intended to be exclusive of any other remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other remedy given herein or now or hereafter existing at law or in equity or by statute:

(a) Lender may by notice in writing to Lessor declare the entire unpaid balance of the Notes to be immediately due and payable; and thereupon all such unpaid balance, together with all accrued interest thereon, shall be and become immediately due and payable;

(b) Subject to the rights, if any, of Lessee under the Lease, Lender personally or by agents or attorneys, shall have the right (subject to compliance with any applicable mandatory legal requirements) to take immediate possession of the Collateral, or any portion thereof, and for that purpose may pursue the same wherever it may be found, and may enter any of the premises of Lessor, with or without notice, demand, process of law or legal procedure, if this can be done without breach of the peace, and search for, take

possession of, remove, keep and store the same, or use and operate or lease the same until sold;

(c) Subject to the rights, if any, of Lessee under the Lease, Lender may, if at the time such action may be lawful and always subject to compliance with any mandatory legal requirements, either with or without taking possession and either before or after taking possession, and without instituting any legal proceedings whatsoever, and having first given notice of such sale by registered mail to Lessor and Lessee once at least ten days prior to the date of such sale, and any other notice which may be required by law, sell and dispose of the Collateral, or any part thereof, at public auction to the highest bidder, in one lot as an entirety or in separate lots, and either for cash or on credit and on such terms as Lender may determine, and at any place (whether or not it be the location of the Collateral or any part thereof) designated in the notice above referred to; provided, however, that any such sale shall be held in a commercially reasonable manner. Any such sale or sales may be adjourned from time to time by announcement at the time and place appointed for such sale or sales, or for any such adjourned sale or sales, without further published notice, and Lender or the holder or holders of the Notes, or of any interest therein, may bid and become the purchaser at any such sale;

(d) Subject to the rights, if any, of Lessee under the Lease, Lender may proceed to protect and enforce this Agreement and the Notes by suit or suits or proceedings in equity, at law or in bankruptcy, and whether for the specific performance of any covenant or agreement herein contained or in execution or aid of any power herein granted; or for foreclosure hereunder, or for the appointment of a receiver or receivers for the mortgaged property or any part thereof for the recovery of judgment for the indebtedness hereby secured or for the enforcement of any other proper, legal or equitable remedy available under applicable law; and

(e) Subject to the rights, if any, of Lessee under the Lease, Lender may proceed to exercise all rights, privileges and remedies of Lessor under the Lease, and may exercise all such rights and remedies either in the name of Lender or in the name of Lessor for the use and benefit of Lender.

6.3 Certain Rights of Lessor on the Occurrence of an Event of Default under the Lease. Except as hereinafter provided, if an Event of Default under the Lease shall have occurred and be continuing, Lender shall give Lessor not less than 10 days' prior written notice of the date (the "Enforcement Date") on which Lender will exercise any remedy or remedies pursuant to Section 6.2 hereof. In the event of the occurrence of an Event of Default under the Lease (other than one arising under Section 21(a)(5) through Section 21(a)(7) of the Lease), Lessor may, prior to the Enforcement Date, pay to Lender an amount equal to any principal and interest (including interest, if any, on overdue payments of principal and interest) then due and payable on the Notes and take such additional actions as shall cause all such Events of Default to be cured, and so long as all such payments shall remain paid in full when due and such cure or cures shall continue in full force and effect, no Event of Default hereunder shall be deemed to have arisen under Section 6.1 hereof; provided, however, that Lessor may not exercise such right in respect of more than 12 Basic Rent payment defaults throughout the term of the Lease.

Except as hereinafter in this Section 6.3 provided, Lessor shall not, by exercising the right to cure any such Event of Default, obtain any lien, charge or encumbrance of any kind on any of the Collateral for or on account of costs or expenses incurred in connection with the exercise of such right nor shall any claims of Lessor against Lessee or any other party for the repayment of such costs or expenses impair the prior right and security interest of Lender in and to the Collateral. Upon such payment by Lessor of the amount of principal and interest then due and payable on the Notes, Lessor shall be subrogated to the rights of Lender in respect of the Basic Rent which was overdue at the time of such payment and interest payable by Lessee on account of its being overdue, and therefore, if no other Event of Default shall have occurred and be continuing and if all principal and interest payments due on the Notes have been paid at the time of receipt by Lender of such Basic Rent, Lessor shall be entitled to receive such Basic Rent and such interest upon receipt thereof by Lender; provided, that (1) in the event the principal and interest on the Notes shall have become due and payable pursuant to Section 6.2(a) hereof, such subrogation shall, until principal of and interest on all Notes shall have been paid in full, be subordinate to the rights of Lender in respect of such payment of Basic Rent and such interest on such overdue Basic Rent prior to receipt by Lessor of any amount pursuant to such subrogation, and (2)

Lessor shall not be entitled to seek to recover any such payment (or any payment in lieu thereof) except pursuant to the foregoing right of subrogation.

6.4 Waiver by Lessor. To the extent permitted by law, Lessor covenants that it will not at any time insist upon or plead, or in any manner whatever claim or take any benefit or advantage of, any stay or extension under any law now or at any time hereafter in force, nor claim, take nor insist upon any benefit or advantage of or from any law now or hereafter in force providing for the valuation or appraisement of the Collateral or any part thereof, prior to any sale or sales thereof to be made pursuant to any provision herein contained, or to the decree, judgment or order of any court of competent jurisdiction; nor, after such sale or sales, claim or exercise any right under any statute now or hereafter made or enacted by any state or otherwise to redeem the property so sold or any part thereof, and, to the full extent legally permitted, hereby expressly waives for itself and on behalf of each and every person, except decree or judgment creditors of Lessor acquiring any interest in or title to the Collateral or any part thereof subsequent to the date of this Agreement, all benefit and advantage of any such law or laws, and covenants that it will not invoke or utilize any such law or laws or otherwise hinder, delay or impede the execution of any power herein granted and delegated to Lender, but will suffer and permit the execution of every such power as though no such power, law or laws had been made or enacted.

6.5 Effect of Sale. Any sale, whether under any power of sale hereby given or by virtue of judicial proceedings, shall operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of Lessor in and to the property sold, shall be a perpetual bar, both at law and in equity, against Lessor, its successors and assigns, and against any and all persons claiming the property sold or any part thereof under, by or through Lessor, its successors or assigns (subject, however, to the then existing rights, if any, of the Lessee under the Lease).

6.6 Application of Sale Proceeds. The proceeds and/or avails of any sale of the Collateral, or any part thereof, and the proceeds and the avails of any remedy hereunder shall be paid to and applied as follows:

(a) First, to the payment of costs and expenses of foreclosure or suit, if any, and of such

sale, and of all proper expenses, liability and advances, including legal expenses and attorneys' fees, incurred or made hereunder by Lender, or the holder or holders of the Notes and of all taxes, assessments or liens superior to the lien of these presents, except any taxes, assessments or other superior lien subject to which said sale may have been made;

(b) Second, to the payment of the holder or holders of the Notes of the amount then owing or unpaid on the Notes for principal and interest; and in case such proceeds shall be insufficient to pay in full the whole amount so due, owing or unpaid upon the Notes then ratably according to the aggregate of such principal and the accrued and unpaid interest, with application on each Note to be made, first, to the unpaid interest thereon and second, to unpaid principal thereof; such application to be made upon presentation of the several Notes, and the notation thereon of the payment, if partially paid, or the surrender and cancellation thereof, if fully paid; and

(c) Third, to the payment of the surplus if any, to Lessor, its successors and assigns, or to whomsoever may be lawfully entitled to receive the same.

6.7 Discontinuance of Remedies. In case Lender shall have proceeded to enforce any right under this Agreement by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely, then and in every such case Lessor, Lender and the holder or holders of the Notes shall be restored to their former positions and rights hereunder with respect to the property subject to the security interest created under this Agreement.

6.8 Cumulative Remedies. No delay or omission of Lender or of the holder of any Note to exercise any right or power arising from any default on the part of Lessor, shall exhaust or impair any such right or power or prevent its exercise during the continuance of such default. No waiver by Lender, or the holder of any Note of any such default, whether such waiver be full or partial, shall extend to or be taken to affect any subsequent default, or to impair the rights resulting therefrom except as may be otherwise provided herein. No remedy hereunder is intended to be exclusive of any other remedy but each and every remedy shall be cumulative and in addition to any and every other remedy

given hereunder or otherwise existing; nor shall the giving, taking or enforcement of any other or additional security, collateral or guaranty for the payment of the indebtedness secured under this Agreement operate to prejudice, waive or affect the security of this Agreement or any rights, powers or remedies hereunder, nor shall Lender or the holder of any of the Notes be required to first look to, enforce or exhaust such other or additional security, collateral or guaranties.

7. Limitations of Liability. Except as otherwise provided in Section 3.1 hereof, anything in this Agreement to the contrary notwithstanding, neither Lender nor the holder of any Note nor the successors or assigns of any of said persons, shall have any claim, remedy or right to proceed against Lessor or any incorporator or any past present or future subscriber to the capital stock of, or stockholder, officer or director of, Lessor for the payment or any deficiency or any other sum owing on account of the indebtedness evidenced by the Notes or for the payment of any liability resulting from the breach of any representation, agreement or warranty of any nature whatsoever, from any source other than the Collateral, including the sums due and to become due under the Lease in respect of the Equipment; and, except as otherwise provided in Section 3.1, Lender by the execution of this Agreement and the holders of the Notes by acceptance thereof, waive and release any personal liability of Lessor and any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of Lessor for and on account of such indebtedness or such liability, and Lender and the holders of the Notes agree to look solely to the Collateral, including the sums due and to become due under the Lease in respect of the Equipment, for the payment of said indebtedness or the satisfaction of such liability, it being understood and agreed that the Notes and all obligations of Lessor hereunder and under the Notes are solely nonrecourse in nature; provided, however, that nothing contained in this Section shall limit, restrict or impair the rights of Lender and the holders of the Notes to accelerate the maturity of the Notes upon a default under this Agreement, to bring suit and obtain a judgment against Lessor on the Notes (provided that the execution on such judgment shall be limited as provided above) or to exercise all rights and remedies provided under this Agreement or otherwise realize upon the Collateral.

8. Miscellaneous.

8.1 Execution. The Notes shall be signed on behalf of Lessor by its President or any Vice President or any other

officer of Lessor who, at the date of the actual execution thereof, shall be a proper officer to execute the same.

8.2 Payment of the Notes

(a) The principal of, and interest on, the Notes shall be payable by check, duly mailed, by first-class, postage prepaid, or delivered to such holder at its address furnished to Lessor for such purpose. All payments so made shall be valid and effective to satisfy and discharge the liability upon such Note to the extent of the sums so paid. Each holder (or the person for whom such holder is a nominee) by its acceptance of any Notes agree that before selling, transferring or otherwise disposing of such Note, it will present such Note to Lessor for transfer and notation as provided in Sections 8.3 and 8.4.

(b) All amounts constituting payment of the installments of Rent under the Lease (including Loss Value payments), received by Lender and applied on the Notes pursuant to Section 5 hereof shall be valid and effective to satisfy and discharge the liability upon such Notes to the extent of the amounts so received and applied.

(c) Except as provided by Sections 5.1 and 6.2 hereof, no Note is subject to prepayment.

8.3 Registration, Transfers and Exchanges of Notes; Lost or Mutilated Notes.

(a) The Lessor shall keep at its principal office a register (the "Note Register") in which, subject to such reasonable regulations as Lessor may prescribe, Lessor shall provide for the registration of the Notes and the transfers of the Notes.

(b) The holder of any Note may transfer such Note upon the surrender thereof at the principal corporate office of Lessor, whereupon Lessor shall register the transfer of such Note in the Note Register and shall execute in the name of the transferee a new Note or Notes in denominations not less than $50,000 in aggregate principal amount equal to the unpaid principal amount of the Note so surrendered and deliver such new Note or Notes to Lender for delivery to such transferee.

(c) The holder of any Note or Notes may surrender such Note or Notes at the principal corporate office of Lessor, accompanied by a written request for a New Note or Notes in the same aggregate principal amount as the then unpaid principal amount of the Note or Notes so surrendered and in denominations of $50,000 or such amount in excess thereof as may be specified in such request. Thereupon, Lessor shall execute in the name of such holder a new Note or Notes in the denomination or denominations so requested and in aggregate principal amount equal to the aggregate unpaid principal amount of the Note or Notes so surrendered and deliver such new Note or Notes to such holder.

(d) All Notes presented or surrendered for exchange or transfer shall be accompanied (if so required by Lessor) by a written instrument or instruments of assignment or transfer, in form satisfactory to Lessor, duly executed by the registered holder or by its attorney duly authorized in writing. Lessor shall not be required to make a transfer or an exchange of any Note for a period of ten days preceding the due date of any payment with respect thereto.

(e) No notarial act shall be necessary for the transfer or exchange of any Note pursuant to this Section 8.3, and the holder of any Note issued as provided in this Section 8.3 shall be entitled to any and all rights and privileges granted under this Agreement to a holder of a Note.

(f) In case any Note shall become mutilated or be destroyed, lost or stolen, Lessor, upon the written request of the registered holder thereof, shall execute and deliver a new Note in exchange and substitution for the mutilated Note, or in lieu of and in substitution for the Note so destroyed, lost or stolen. The applicant for a substituted Note shall furnish to Lessor such security or indemnity as may be required by it to save it harmless from all risks, and the applicant shall also furnish to Lessor evidence to its satisfaction of the mutilation, destruction, loss or theft of the applicant's Note and of the ownership thereof. In case any Note which has matured or is about to mature shall become mutilated or be destroyed, lost, or stolen Lessor may, instead of issuing a substituted Note, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Note), if the applicant for such payment

shall furnish to Lessor such security or indemnity as Lessor may require to save it harmless, and shall furnish evidence to the satisfaction of Lessor of the mutilation, destruction, loss or theft of such Note and the ownership thereof. If the original Lender or its nominee is the owner of any such lost, stolen or destroyed Note, then the affidavit of the president, vice president, treasurer or assistant treasurer of such Lender setting forth the fact of loss, theft or destruction and of its ownership of the Note at the time of such loss, theft or destruction shall be accepted as satisfactory evidence thereof and no indemnity shall be required as a condition to execution and delivery of a new Note other than the written agreement of such Lender to indemnify Lessor for any claims or action against it (and for its attorney's fees) resulting from the issuance of such new Note or the reappearance of the old Note.

8.4 New Notes.

(a) Each new Note (herein, in this Section 8.4, called a "New Note") issued pursuant to Section 8.3(b), (c) or (f) in exchange for or in substitution or in lieu of an outstanding Note (herein, in this Section 8.4, called an "Old Note") shall be dated the date of such Old Note. Lessor shall mark on each New Note (1) the dates to which principal and interest have been paid on such Old Note, (2) all payments and prepayments of principal previously made on such Old Note which are allocable to such New Note, and (3) the amount of each installment payment payable on such New Note. Each installment payment payable on such New Note on any date shall bear the same proportion to the installment payment payable on such Old Note on such date as the original principal amount of such New Note bears to the original aggregate principal amount of such Old Note. Interest shall be deemed to have been paid on such New Note to the date on which interest shall have been paid on such Old Note, and all payments and prepayments of principal marked on such New Note, as provided in clause (2) above, shall be deemed to have been made thereon.

(b) Upon the issuance of a New Note pursuant to Section 8.3(b), (c) or (f), Lessor may require the payment of a sum to reimburse it for, or to provide it with funds for, the payment of any tax or other governmental charge or any other charges and expenses connected therewith which are paid or payable by Lessor.

(c) All New Notes issued pursuant to Section 8.3(b), (c) or (f) in exchange for or in substitution or in lieu of Old Notes shall be valid obligations of Lessor evidencing the same debt as the Old Notes and shall be entitled to the benefits and security of this Agreement to the same extent as the Old Notes.

(d) Upon the issuance of any Note pursuant to this Agreement, Lessor shall prepare and deliver to Lender a copy of an amortization schedule with respect to such Note setting forth the amount of the installment payments to be made on such Note after the date of issuance thereof and the unpaid principal balance of such Note after each such installment payment. Lender shall deliver, or send by first-class mail, postage prepaid, one copy of the applicable schedule to the holder of such Note at its address furnished to Lessor for such purpose.

8.5 Cancellation of Notes. All Notes surrendered for the purpose of payment, redemption, transfer or exchange shall be delivered to Lessor for cancellation or, if surrendered to Lessor, shall be cancelled by it, and no Notes shall be issued in lieu thereof except as expressly required or permitted by any of the provisions of this Agreement.

8.6 Successors and Assigns. Whenever any of the parties hereto is referred to such reference shall be deemed to include the successors and assigns of such party; and all the covenants, promises and agreements in this Agreement contained by or on behalf of Lessor or by or on behalf of Lender, shall bind and inure to the benefit of the respective successors and assigns of such parties whether so expressed or not.

8.7 Partial Invalidity. The unenforceability or invalidity of any provision or provisions of this Agreement shall not render any other provision herein contained unenforceable or invalid.

8.8 Notices. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given when deposited in the United States certified mails, first class, postage prepaid, addressed (1) if to Lessor, at 225 Franklin Street, Boston, Massachusetts 02101, Attention: Patricia W. Jenkins, and (2) if to Lender, at One State Street, New York, New York 10004, Attention: James J. MacIsaac, or at such other address as either party hereto shall from time to time designate by

notice duly given in accordance with the provisions of this Section 8.8 to the other party hereto.

8.9 Release. Lender shall release this Agreement and the security interest granted hereby by proper instrument or instruments upon presentation of satisfactory evidence that all indebtedness secured hereby has been fully paid or discharged.

8.10 Governing Law. This Agreement and the Notes shall be construed in accordance with and governed by the laws of the State of New York.

8.11 Counterparts. This Agreement may be executed, acknowledged and delivered in any number of ccunterparts, each of such counterparts constituting an original but all together only one Agreement.

8.12 Headings. Any headings or captions preceding the text of the several Sections hereof are intended solely for convenience of reference and shall not constitute a part of this Agreement nor shall they affect its meaning, construction or effect.

IN WITNESS WHEREOF, the parties hereto have duly executed this Finance and Security Agreement as of the date first above written.

STATE STREET BANK AND TRUST COMPANY

as Lessor

By_____

Its_____

SCHRODER LEASING CORPORATION,

as Lender

By_____

Its President

notice duly given in accordance with the provisions of this Section 8.8 to the other party hereto.

8.9 Release. Lender shall release this Agreement and the security interest granted hereby by proper instrument or instruments upon presentation of satisfactory evidence that all indebtedness secured hereby has been fully paid or discharged.

8.10 Governing Law. This Agreement and the Notes shall be construed in accordance with and governed by the laws of the State of New York.

8.11 Counterparts. This Agreement may be executed, acknowledged and delivered in any number of ccunterparts, each of such counterparts constituting an original but all together only one Agreement.

8.12 Headings. Any headings or captions preceding the text of the several Sections hereof are intended solely for convenience of reference and shall not constitute a part of this Agreement nor shall they affect its meaning, construction or effect.

IN WITNESS WHEREOF, the parties hereto have duly executed this Finance and Security Agreement as of the date first above written.

STATE STREET BANK AND TRUST COMPANY

as Lessor

By Peter W. Parker

Its Assistant Vice President

SCHRODER LEASING CORPORATION,

as Lender

By_____

Its_____

STATE OF MASS)
) ss:
COUNTY OF SUFFOLK)

On this 8th day of June, 1984, before me personally appeared Patricia W. Jenkins, to me personally known, who being by me duly sworn, says that she is the Assistant Vice President of STATE STREET BANK AND TRUST COMPANY, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

[NOTARIAL SEAL]

My commission expires: MY COMMISSION EXPIRES AUGUST 10, 1984

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On this ____ day of June, 1984, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ OF SCHRODER LEASING CORPORATION, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

[NOTARIAL SEAL]

My commission expires:

STATE OF)
) ss:
COUNTY OF)

On this ____ day of June, 1984, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the President of STATE STREET BANK AND TRUST COMPANY, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

_____
Notary Public

[NOTARIAL SEAL]

My commission expires:

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On this 12 day of June, 1984, before me personally appeared James J. MacIsaac, to me personally known, who being by me duly sworn, says that he is the President OF SCHRODER LEASING CORPORATION, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Walter N. Reiner
Notary Public

WALTER N. REINER
Notary Public, State of New York
No. 30-3243335 Qual. in Nassau County
Certificate Filed in New York County
Commission Expires March 30, 19[illegible]

[NOTARIAL SEAL]

My commission expires:

Exhibit A

DESCRIPTION OF EQUIPMENT

Number of Items	Description
400	70-Ton Trailer-On-Flatcars/ Container-On-Flatcars or Container-On-Flatcars

Identifying Mark and Numbers

SP-901200-901459
SP-901500-901749

SP-910001	SP-910041
SP-910002	SP-910042
SP-910003	SP-910043
SP-910005	SP-910045
SP-910006	SP-910046
SP-910007	SP-910047
SP-910011	SP-910051
SP-910012	SP-910052
SP-910013	SP-910053
SP-910015	SP-910055
SP-910016	SP-910056
SP-910017	SP-910057
SP-910021	SP-910061
SP-910022	SP-910062
SP-910023	SP-910063
SP-910025	SP-910065
SP-910026	SP-910066
SP-910027	SP-910067
SP-910031	SP-910071
SP-910032	SP-910072
SP-910033	SP-910073
SP-910035	SP-910075
SP-910036	SP-910076
SP-910037	SP-910077

SP-910101	SP-910141	SP-910181	SP-910225
SP-910102	SP-910142	SP-910182	SP-910226
SP-910103	SP-910143	SP-910183	SP-910227
SP-910105	SP-910145	SP-910185	SP-910231
SP-910106	SP-910146	SP-910186	SP-910232
SP-910107	SP-910147	SP-910187	SP-910233
SP-910111	SP-910151	SP-910191	SP-910235
SP-910112	SP-910152	SP-910192	SP-910236
SP-910113	SP-910153	SP-910193	SP-910237
SP-910115	SP-910155	SP-910195	SP-910301
SP-910116	SP-910156	SP-910196	SP-910302
SP-910117	SP-910157	SP-910197	SP-910303
SP-910121	SP-910161	SP-910201	SP-910305
SP-910122	SP-910162	SP-910202	SP-910306
SP-910123	SP-910163	SP-910203	SP-910307
SP-910125	SP-910165	SP-910205	SP-910311
SP-910126	SP-910166	SP-910206	SP-910312
SP-910127	SP-910167	SP-910207	SP-910313
SP-910131	SP-910171	SP-910211	SP-910315
SP-910132	SP-910172	SP-910212	SP-910316
SP-910133	SP-910173	SP-910213	SP-910317
SP-910135	SP-910175	SP-910215	SP-910321
SP-910136	SP-910176	SP-910216	SP-910322
SP-910137	SP-910177	SP-910217	SP-910323
		SP-910221	SP-910325
		SP-910222	SP-910326
		SP-910223	SP-910327

DEFINITIONS

The terms defined in the Lease when used herein shall have the same meanings as so defined unless otherwise defined or the context otherwise defined or the context otherwise requires.

"Bill of Sale" shall mean a warranty bill of sale for a Unit substantially in the form of Exhibit B to the purchase Agreement referred to in the Lease.

"Closing" shall mean each closing hereunder to be held on a Closing Date.

"Closing Date" shall mean the date on which Lessor shall pay Reconditioning Cost of any Unit financed hereunder. The Closing Date shall be a date designated by Lessor by giving notice of such date to Lender not less than five days before such designated date

"Collateral" shall have the meaning set forth in Section 2.1 hereof.

"Commencement Date" shall have the meaning set forth in the Lease.

"Delivered Units" shall mean, with respect to any Closing Date, those Units for which Lessor is to pay the Reconditioning Cost on such Closing Date.

"Document Closing Date" shall mean the date on which the document closing contemplated by Section 1.3 hereof is held under the Lease.

"Indebtedness hereby secured" shall mean the Notes and all principal thereof and interest thereon and all additional amounts and other sums at any time owing from or required to be paid by Lessor under the terms of the Notes or this Agreement.

"Lease" shall mean the Railroad Equipment Lease, dated as of the date hereof, between Lessor and Lessee.

"Lender" shall mean Schroder Leasing Corporation, a New York corporation.

"Lessee" shall mean Greenbrier Leasing Corporation, a Delaware corporation.

"Lessor" shall mean State Street Bank and Trust Company, a Massachusetts corporation.

"Note" or "Notes" shall mean a Note or Notes of Lessor, in substantially the form of Exhibit C annexed hereto, issued hereunder.

"Permitted Liens" shall have the meaning set forth in Section 2.3 hereof.

"Purchase Commitment" for any Unit shall mean an amount equal to 80.0 percent of Lessor's Cost for each Unit, which amounts in the aggregate shall not exceed $_____.

Exhibit C

STATE STREET BANK AND TRUST COMPANY
GREENBRIER LEASE FINANCING
14% SECURED NONRECOURSE NOTE

$, 198

FOR VALUE RECEIVED, the undersigned, STATE STREET BANK AND TRUST COMPANY, a Massachusetts corporation (the "Issuer"), promises to pay to SCHRODER LEASING CORPORATION, or its registered assign, the principal sum of _____ DOLLARS ($_____) together with interest from the date hereof until maturity at the rate of 14% per annum (computed on the basis of a 360-day year of twelve 30-day months) on the unpaid principal hereof, in installments as follows:

(1) One (1) installment of principal and interest, payable on _____, 1984, equal to $_____ calculated on the basis of level-payment amortization of the Note over 72 months beginning on the Commencement Date (as defined below), bearing interest from the date of this Note; followed by

(2) _____ (__) installments of principal and interest, each in the amount of $_____[1]_____, payable on the 20th day of each month, commencing with the month following the month in which the initial installment payment is made pursuant to (1) above; followed by

(3) A final installment on the sixth anniversary of the date on which the initial installment payment is made pursuant to (1) above in the amount equal to the entire principal and interest remaining unpaid hereunder as of said date;

and to pay interest on overdue principal and (to the extent legally enforceable) on overdue interest at the rate of 14% per annum (computed on the basis of a 360-day year of twelve 30-day months) or the maximum rate permitted by applicable law, whichever is less, after maturity, whether by acceleration or otherwise, until paid. Both the principal hereof and interest hereon are payable to the registered

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[1] 1.6485% of the aggregate Lessor's Cost of all Units financed with the proceeds of this Note.

holder hereof in coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts.

This Note is one of the 14% Secured Nonrecourse Notes (the "Notes") of the Issuer not exceeding $7,200,000 in aggregate principal amount issued under the Finance and Security Agreement dated as of June 1, 1984 (the "Agreement"), between the Issuer and Schroder Leasing Corporation, as Lender (the "Lender"). Reference is made to the Agreement and all supplements and amendments thereto for a description of the Collateral, the nature and extent of the security and rights of the Lender, the holder or holders of the Notes and of the Issuer in respect thereof. The term "Commencement Date", as used in this Note, shall have the same meaning as defined in the Agreement.

Certain prepayments are required to be made on this Note and any other Notes outstanding under the Agreement. The Issuer agrees to make the required prepayments on the Notes in accordance with the provisions of the Agreement. Except as provided in and by the Agreement, no Notes are subject to prepayment.

This Note is transferable only by surrender thereof at the principal office of the Issuer, duly endorsed or accompanied by a written instrument of transfer, duly executed by the holder of this Note or his attorney duly authorized in writing. Such transfer shall be effective upon posting of such transfer in the Note Register.

This Note and the Agreement shall be governed by and construed in accordance with the laws of the State of New York.

Except as otherwise provided in Section 3.1 of the Agreement, anything in this Note to the contrary notwithstanding, neither the Lender nor any holder hereof, nor their respective successors or assigns shall have any claim, remedy or right to proceed against the Issuer or any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer, or director of the Issuer for the payment of any deficiency or any other sum owing on account of the indebtedness evidenced by this Note or for the payment of any liability resulting from the breach of any representation, agreement or warranty of any nature whatsoever, from any source other than the collateral under the Agreement (the "Collateral"); and the Lender and the holder of this Note by its acceptance hereof waive and

release any personal liability of the Issuer and any incorporator or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of the Issuer for and on account of such indebtedness or such liability, and the Lender and the holder of this Note agree to look solely to the Collateral for the payment of such indebtedness or the satisfaction of such liability, it being understood and agreed that this Note and all obligations of the Issuer hereunder and under the Agreement are solely nonrecourse in nature; provided nothing herein contained shall limit, restrict or impair the rights of the Lender or the holders of the Notes to accelerate the maturity of the Notes upon a default under the Agreement, to bring suit and obtain a judgment against the Issuer on the Notes (provided that the execution on such judgment shall be limited as provided above) or to exercise all rights and remedies provided under the Agreement or otherwise realize upon the Collateral.

IN WITNESS WHEREOF, the Issuer has caused this Note to be duly executed.

By_____
Its_____

By_____
Its_____

NOTICE:

THIS NOTE HAS NOT BEEN REGISTERED PURSUANT TO THE SECURITIES ACT OF 1933 OR UNDER THE SECURITIES LAWS OF ANY STATE.

DESCRIPTION OF OPINION OF
COUNSEL FOR LESSOR

The opinion of Messrs. Csaplar & Bok, counsel for Lessor, which is to be provided under the Finance Agreement on the Document Closing Date shall be dated such date and addressed to Lender, shall be satisfactory in form and substance to Lender and shall be to the effect that:

1. Lessor is a trust company duly organized, validly existing and in good standing under the laws of the Commonwealth of Massachusetts.

2. Lessor has full power and authority to execute, deliver and perform the Finance Agreement, the Lease and the Notes.

3. The Finance Agreement and the Lease have each been duly authorized, executed and delivered by Lessor and constitute legal, valid and binding obligations of Lessor enforçeable against it in accordance with the terms thereof, subject to applicable bankruptcy, reorganization, insolvency, moratorium and other laws affecting the enforcement of creditors' rights generally and to applicable principles of equity.

4. The Notes have been duly authorized by Lessor, and, when executed and delivered by Lessor, will constitute legal, valid and binding obligatons of Lessor enforceable against it in accordance with the terms thereof, subject to applicable bankruptcy, reorganization, insolvency, moratorium and other laws affecting the enforcement of creditors' rights generally and to applicable princples of equity.

5. No authorization, consent or approval of any governmental authority is required for the execution, delivery or performance by Lessor of the Finance Agreement, the Lease or the Notes.

6. Neither the execution, delivery or performance by Lessor of the Finance Agreement, the Lease and the Notes, nor compliance with the terms and provisions thereof, conflicts or will conflict with or will result in a breach or violation of any of the conditions or provisions of any law, governmental rule or regulation applicable to Lessor or the Articles of Incorporation, as amended, or By-Laws, as

amended, of Lessor, or any order, writ, injunction or decree known to us of any court or governmental authority against Lessor or by which it or any of its properties is bound, or of any indenture, mortgage or contract or other agreement or instrument known to us to which Lessor is a party or by which it or any of its properties is bound, or constitutes or will constitute a default thereunder or will result in the imposition of any lien upon any of its properties.

With respect to matters of fact upon which such opinion is based, such counsel may rely on appropriate certificates of public officials and officers of Lessor. Such counsel may limit their opinion to Massachusetts and Federal law.