

February 12, 1980

11494

RECORDATION NO. .... Filed 1425

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

No. **0-044A058** FEB 13 1980 - I DE7  
Date **FEB 13 1980** INTERSTATE COMMERCE COMMISSION  
Fee \$ 50.00

Dear Ms. Mergenovich:

ICC Washington, D. C.

Pursuant to the provisions of former Section 20(c) of the Interstate Commerce Act (now 49 U.S.C. Sec. 11303) and the applicable regulations of the Interstate Commerce Commission, there are herewith transmitted for filing and recording a number of counterparts of an Equipment Lease Agreement dated as of February 1, 1980, between First Chicago Leasing Corporation and The Belt Railway Company of Chicago.

A draft payable to the order of the Interstate Commerce Commission for the recording fee applicable to this filing is enclosed herewith.

The name and address of the Lessor is:

First Chicago Leasing Corporation  
One First National Plaza  
Chicago, Illinois 60670

The name and address of the Lessee is:

The Belt Railway Company of Chicago  
6900 South Central Avenue  
Chicago, Illinois 60638

The equipment covered by this Agreement is two General Motors Corporation Electro-Motive Division, MP-15, Diesel Locomotives, Serial Numbers 796302-1 and 796302-2, bearing, respectively, Belt Railway road numbers 535 and 536.

It is respectfully requested that all counterparts not needed for the Commission's files be returned to the bearer of this letter with the Commission's recordation stamp shown thereon.

Very truly yours,

FIRST CHICAGO LEASING CORPORATION

BY: [Signature]  
ITS: Leasing Officer

*Gerard Johnson*  
*[Signature]*

**Interstate Commerce Commission**  
Washington, D.C. 20423

2/13/80

OFFICE OF THE SECRETARY

**First Chicago Leasing Corp.**  
**One First National Plaza**  
**Chicago, Illinois 60670**

Dear **Sir:**

The enclosed document (s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 2/13/80 at 1:30pm , and assigned re-  
recording number (s). **11494**

Sincerely yours,

*Agatha L. Mergenovich*  
Agatha L. Mergenovich  
Secretary

Enclosure (s)

**EXHIBIT B**

(page 3 of 3)

SUPPLEMENT TO EQUIPMENT LEASE AGREEMENT DATED AS OF....., 19 February 1 80

**BETWEEN**

**FIRST CHICAGO LEASING CORPORATION, LESSOR**

**AND**

The Belt Railway Company of Chicago, LESSEE

*Purchase Option*

Lessee may elect, by giving not less than 90 days prior written notice to Lessor, to purchase at the end of the Lease term or any renewal term, and having made such election Lessee shall so purchase, all but not less than all of the Equipment from Lessor by paying to Lessor on the last day of such term an amount equal to the then fair market value of such Equipment. All obligations of Lessee under Section 3 of the Lease with respect to the return of the Equipment shall terminate upon its sale to Lessee pursuant to the foregoing provision.

The fair market value of the Equipment shall be the value upon which a willing seller and a willing buyer would agree, each respectively under no compulsion to buy or sell. The fair market value is to be determined by agreement between Lessor and Lessee, and if they cannot agree then by an independent appraiser selected by Lessor but acceptable to Lessee. The cost of any such appraisal shall be borne equally by Lessor and Lessee.

## EXHIBIT C

---

### CASUALTY LOSS VALUE SCHEDULE

80

FOR EQUIPMENT LEASE AGREEMENT DATED AS OF February 1, 19X..

The Casualty Loss Value payable with respect to any Item of Equipment pursuant to Section 10 of the Lease shall be the percent of Lessor's Cost of such Item set forth opposite the payment number of the installment of Periodic Rent the due date of which is also the date on which such Casualty Loss Value is payable (payment number 1 being the first installment of Periodic Rent for such Item):

<u>Periodic Rent Installment Number</u>	<u>Percent of Lessor's Cost</u>	<u>Periodic Rent Installment Number</u>	<u>Percent of Lessor's Cost</u>
0	108.19%	37	69.39%
1	108.72	38	67.95
2	109.22	39	66.49
3	109.41	40	65.01
4	109.59	41	63.50
5	109.78	42	61.97
6	109.91	43	60.42
7	109.96	44	58.84
8	109.96	45	57.24
9	109.91	46	55.61
10	109.81	47	53.96
11	109.67	48	52.28
12	109.47	49	50.58
13	102.80	50	48.85
14	102.49	51	47.09
15	102.14	52	45.30
16	101.74	53	43.49
17	101.28	54	41.65
18	100.77	55	39.78
19	100.22	56	37.89
20	99.62	57	35.96
21	92.56	58	34.00
22	91.86	59	32.02
23	91.11	60	30.00
24	90.32		
25	89.47		
26	88.58		
27	87.65		
28	86.67		
29	79.23		
30	78.16		
31	77.05		
32	75.89		
33	74.68		
34	73.43		
35	72.15		
36	70.81		

FIRST CHICAGO LEASING CORPORATION

EQUIPMENT LEASE AGREEMENT

RECORDATION NO. 11494 Filed 1426

FEB 13 1980 - 1:11 PM

AS-7 File #1  
Belt Railway Co.

Extra signed

This Equipment Lease Agreement ("Lease") dated February 1, 1980 between First Chicago Leasing Corporation, a Delaware corporation ("Lessor"), and The Belt Railway Company of Chicago, an Illinois corporation, ("Lessee") whose mailing address is 6900 S. Central Avenue, Chicago, Illinois 60638.

Section 1. Lease of Equipment

Subject to the terms and conditions of this Lease Lessor hereby agrees to lease to Lessee and Lessee hereby agrees to lease from Lessor two General Motors Corporation, Electro-Motive Division, MP-15 locomotives, serial numbers 796302-1 and 796302-2 bearing, respectively, the Lessee's road numbers 535 and 536 (such locomotives are herein referred to collectively as the "Equipment" and individually as an "Item" or "Item of Equipment"). The total cost of each Item of Equipment to Lessor ("Lessor's Cost"), which shall include such freight charges and sales and other taxes as shall be agreed to by Lessor and Lessee, shall be evidenced by the Certificates of Acceptance delivered with respect to such Item of Equipment, and Lessor's Cost for all Items of Equipment shall not exceed \$1,090,000.

Lessor will cause each Item of Equipment to be tendered to Lessee at a location or locations mutually agreed upon by Lessee and Lessor. Upon such tender, Lessee will cause an authorized representative of Lessee to test and inspect the same, and if such Item of Equipment is found to be in good order, to accept such Item of Equipment and to execute and deliver to Lessor a Certificate of Acceptance (a "Certificate of Acceptance"), substantially in the form of Exhibit A attached hereto and made a part hereof, describing such Item of Equipment, whereupon such Item of Equipment shall be deemed to have been delivered to and accepted by Lessee and shall be subject thereafter to all of the terms and conditions of this Lease. Delivery to Lessor of a Certificate of Acceptance shall constitute Lessee's acknowledgment that, as between Lessor and Lessee, with respect to the Item of Equipment described therein, (i) such Item is of a size, design, capacity and manufacture selected by Lessee, (ii) Lessee is satisfied that such Item is suitable for its purpose, (iii) Lessor is not a manufacturer thereof nor a dealer in property of the kind of such Item and (iv) the Equipment is in full compliance with this Lease and all applicable Interstate Commerce Commission and all other foreign or domestic governmental agency requirements and specifications. Lessee may accept Items of Equipment hereunder from and after the date of this Lease to but not later than February 29, 1980.

Section 2. Term and Rent

(a) The term of this Lease shall commence on the date of acceptance by Lessee as specified in the Certificate of Acceptance with respect to any Item of Equipment therein described and, unless earlier terminated in accordance with the provisions of this Lease, shall terminate on the date specified in such Certificate of Acceptance. Such dates are to be determined with reference to the general provisions of the Supplement to this Lease ("Lease Supplement") attached hereto as Exhibit B and made a part hereof.

(b) Lessee shall pay to Lessor interim rent ("Interim Rent"), if any, and periodic rent ("Periodic Rent") (together referred to as "rent") for each Item of Equipment in the amounts and on the dates specified in the Certificate of Acceptance describing such Item of Equipment, such amounts and dates to be determined with reference to the general provisions of the Lease Supplement.

(c) In the event any rent or other amount payable hereunder shall not be paid promptly when due, Lessee shall pay to Lessor, as additional rent an amount equal to interest on such overdue payment from the due date of such payment to the date of payment thereof at a rate equal to the lesser of (i) 15% per annum or (ii) the maximum rate permitted by law on the date hereof.

(d) All payments provided for in this Lease to be made to Lessor shall be made to Lessor at its offices at One First National Plaza, Chicago, Illinois 60670, or at such other place as Lessor shall specify in writing.

(e) This Lease is a net lease and Lessee shall not be entitled to any abatement of rent and other amounts payable hereunder by Lessee or any reduction thereof, including, but not limited to, abatements or reductions due to any present or future claims of Lessee against Lessor or any assignee, under the Lease or otherwise, or against the manufacturer, vendor or dealer of the Equipment; nor, except as otherwise expressly provided herein, shall this Lease terminate, or the respective obligations of Lessor or Lessee be affected, by reason of any defect in or damage to or loss or destruction of all or any of the Equipment from whatsoever cause, the interference with use by any private person, corporation or governmental authority, the invalidity or unenforceability or lack of due authorization of this Lease or lack of right, power or authority of Lessor to enter into this Lease, or for any other cause, whether similar or dissimilar to the foregoing, any present or future law or regulation to the contrary notwithstanding, it being the intention of the parties hereto that the rents and other amounts payable by Lessee

hereunder shall continue to be payable in all events unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease.

### Section 3. Return of Equipment

Upon the expiration or termination of the term of this Lease with respect to any Item of Equipment, the Lessee will, at its own cost and expense, at the request of the Lessor, deliver possession of such Item of Equipment to the Lessor upon such storage tracks of the Lessee as the Lessor may designate, or in the absence of such designation as the Lessee may select, and permit the Lessor to store such Item of Equipment on such tracks for a period not exceeding 90 days and transport the same at any time within such 90 day period to any reasonable place on the lines of the railroad operated by the Lessee or to any connecting carrier for shipment, all as directed by the Lessor upon not less than 30 days' written notice to Lessee. All movement and storage of each such Item is to be at the risk and expense of the Lessee. During any such storage period the Lessee will permit the Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser of any such Item, to inspect the same. The assembling, delivery, storage and transporting of the Equipment as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee to so assemble, deliver, store and transport the Equipment. Each Item of Equipment returned to Lessor pursuant to this Section shall be in the same operating order, repair and condition as when originally delivered to the Lessee, reasonable wear and tear excepted.

### Section 4. Authorization and Certification.

Prior to Lessee's acceptance and use of any Item of Equipment, Lessor shall have determined, in its sole discretion, that no applicable law, rule or regulation of any public body or authority imposes any burdensome doing business restriction or other requirements upon Lessor in connection with its acquisition and lease of the Equipment and Lessor shall have received the following, in form and substance satisfactory to Lessor:

(a) Detailed description of all Items of Equipment which Lessee proposes to lease hereunder, certified by an officer of Lessee.

(b) Charter and By-Laws of Lessee, and resolutions of the Board of Directors of Lessee, each certified by the Secretary or an Assistant Secretary of Lessee, duly authorizing the lease of the Equipment hereunder and the execution, delivery, and performance of this Lease.

(c) Evidence satisfactory to Lessor as to due compliance with the insurance provisions of Section 11 hereof.

(d) A favorable written opinion of counsel for Lessee satisfactory to Lessor as to each of the matters set forth in Section 5(b)(i)-(viii) hereof and as to such other matters as Lessor may reasonably request.

(e) Evidence satisfactory to Lessor that this Lease has been filed and shall be recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. 13303.

## Section 5. Representations and Warranties

### (a) Lessor's Representations and Warranties

Lessor warrants that it has received whatever title was conveyed to it by the vendor and that the Equipment shall be free of liens and encumbrances which may result from claims against Lessor not related to the ownership of the Equipment. Lessor further warrants that during the term of the Lease, if no Event of Default has occurred, Lessee's use of the Equipment shall not be interrupted by Lessor or anyone claiming solely through or under Lessor.

The warranties set forth in the preceding paragraph are in lieu of all other warranties of Lessor, whether written, oral or implied; and Lessor shall not, by virtue of having leased or delivered any bill or bills of sale pursuant to this Lease, or for any other reason, be deemed to have made, and LESSOR HEREBY DISCLAIMS ANY OTHER REPRESENTATION OR WARRANTY, EITHER EXPRESSED OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE DESIGN OR CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, THE QUALITY OF THE MATERIAL OR WORKMANSHIP OF THE EQUIPMENT OR CONFORMITY OF THE EQUIPMENT TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE ORDER OR ORDERS RELATING THERETO, but Lessor authorizes Lessee, at Lessee's expense, to assert for Lessor's account, during the term of this Lease, all of Lessor's rights under any manufacturer's, vendor's or dealer's warranty on the Equipment, and Lessor agrees to cooperate with Lessee in asserting such rights; provided, however, that Lessee shall indemnify and hold harmless Lessor from and against any and all claims, and all costs, expenses, damages, losses and liabilities incurred or suffered by Lessor in connection therewith, as a result of, or incident to, any action by Lessee pursuant to the above authorization. Any amount received by Lessor as payment under any warranty pursuant to the above authorization shall be applied to

restore the Equipment to as good a condition as it was or should have been (but for defects giving rise to such payment under warranty) when delivered to Lessee hereunder, ordinary wear and tear excepted, with the balance of such amount, if any, to be paid over to Lessee.

(b) Lessee's Representations and Warranties

Lessee represents and warrants that:

(i) Lessee is a corporation duly organized and existing in good standing under the laws of the state of Illinois, and is duly qualified to do business in those jurisdictions (including those where the Equipment will be located) where such qualification is necessary to authorize Lessee to carry on its present business and operations;

(ii) Lessee has full power, authority and legal right to execute, deliver and perform the terms of this Lease. This Lease has been duly authorized by all necessary corporate action on the part of the Lessee, does not require any stockholder approval, does not require the approval of, or the giving of notice to, any federal, state, local, or foreign governmental authority and does not contravene any law binding on Lessee or contravene Lessee's certificate or articles of incorporation or by-laws or any indenture, credit agreement or other agreement to which Lessee is a party or by which it is bound;

(iii) This Lease constitutes a legal, valid and binding obligation of Lessee, enforceable in accordance with its terms;

(iv) There are no pending or threatened actions or proceedings before any court, administrative agency or other tribunal or body which may materially adversely affect Lessee's financial condition or operations (except as disclosed in a letter furnished by Lessee to Lessor at the time of execution of this Lease);

(v) The Equipment is personal property and neither real property nor a fixture;

(vi) No applicable law, rule or regulations of any public body or authority prohibits Lessor from acquiring the Equipment and leasing same to Lessee;

(vii) No approval, consent or withholding of objection is required from any public regulatory body with respect to the entering into or performance of an assignment from the

Lessee to the Lessor of the Equipment and the Lessee's right to acquire the Equipment all as provided for in the form of Assignment attached hereto;

(viii) No filing, recording, depositing or noticing is necessary to protect the Lessor's title to the Equipment other than the filing and recording required by Section 4(e) of this Lease; and

(ix) The balance sheet of Lessee for its most recent fiscal year and the related earnings statement of Lessee for such fiscal year have been furnished to Lessor and fairly present Lessee's financial condition as of such date and the results of its operations for such year, in accordance with generally accepted accounting principles consistently applied, and since such date there has been no material adverse change in such conditions or operations.

#### Section 6. Mortgages, Liens, Etc.

Lessee will not directly or indirectly create, incur, assume or suffer to exist any mortgage, security interest, pledge, lien, charge encumbrance or claim on or with respect to the Equipment, title thereto or any interest therein (and Lessee will promptly, at its own expense, take such action as may be necessary to duly discharge any such mortgage, security interest, pledge, lien, charge, encumbrance or claim) except (a) the respective rights of Lessor and Lessee as herein provided, (b) liens or encumbrances which result from claims against Lessor except to the extent that such liens and encumbrances arise from failure of Lessee to perform any of Lessee's obligations hereunder, (c) liens for taxes either not yet due or being contested in good faith and by appropriate proceedings, and (d) inchoate materialmen's, mechanics', workmen's, repairmen's, employees' or other like liens arising in the ordinary course of business and not delinquent.

#### Section 7. Taxes

Lessee agrees to pay and to indemnify and hold Lessor harmless from all sales, use, personal property, leasing, leasing use, stamp or other taxes, levies, imposts, duties, charges, or withholdings of any nature (together with any penalties, fines or interest thereon) imposed against Lessor, Lessee or the Equipment by any Federal, state, local or foreign government or taxing authority upon or with respect to the Equipment or upon the purchase, ownership, delivery, leasing, possession, use, operation, return or other disposition thereof, or upon the rentals, receipts or earnings arising therefrom, or upon or with respect to this Lease (excluding, however, Federal and State taxes on, or measured by, the net income of Lessor, and further excluding any sales, use or other taxes as are included in Lessor's

Cost for any Item of Equipment) unless, and to the extent only, that any such tax, levy, impost, duty, charge, or withholding is being contested by Lessee in good faith and by appropriate proceedings. In case any report or return is required to be made with respect to any obligation of Lessee under this Section or arising out of this Section, Lessee will either make such report or return in such manner as will show the ownership of the Equipment in Lessor and send a copy of such report or return to Lessor, or will notify Lessor of such requirement and make such report or return in such manner as shall be satisfactory to Lessor. Lessor agrees to cooperate fully with Lessee in the preparation of any such reports or returns.

Section 8. Use, Maintenance and Operation, and Identification Marking

(a) The Lessee shall use the Equipment only in the manner for which it was designed and intended and so as to subject it only to ordinary wear and tear. The Lessee shall, at its own cost and expense, maintain and keep the Equipment in good order, condition and repair, ordinary wear and tear excepted, and suitable for use in interchange. The Lessee shall not modify any Item of Equipment without the written authority and approval of the Lessor which shall not be unreasonably withheld. Any parts installed or replacements made by the Lessee upon any Item of Equipment (except such as are not required pursuant to Section 8(f) or Section 10 hereof and can be removed without damage to, or in any way affecting or impairing either the originally intended function or the use of, such Item of Equipment) shall be considered accessions to such Item of Equipment and title thereto shall be immediately vested in the Lessor, without cost or expense to the Lessor. The Equipment shall at no time be used outside the Continental limits of the United States.

(b) The Lessor, as between the Lessor and the Lessee, shall and hereby does retain full legal title to the Equipment notwithstanding the delivery thereof to and the possession and use thereof by the Lessee.

(c) The Lessee will cause each Item of Equipment to be kept numbered with its road number as set forth in Section 1 hereof and will keep and maintain, plainly, distinctly, permanently and conspicuously marked by a plate or stencil printed in contrasting color upon each side of each Item of Equipment in letters not less than one inch in height as follows:

"Owned by and Leased from First Chicago Leasing  
Corporation, Chicago, Illinois"

with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the title

of the Lessor or any assignee to such Item of Equipment and its rights under this Lease. The Lessee will not place any such Item of Equipment in operation or exercise any control or dominion over the same until the required legend shall have been so marked on both sides thereof and will replace promptly any such names and word or words which may be removed, defaced or destroyed. The Lessee will not change the road number of any Item of Equipment except with the consent of the Lessor and in accordance with a statement of new road number to be substituted therefor, which consent and statement previously shall have been filed with the Lessor by the Lessee and filed, recorded, or deposited in all public offices where this Lease shall have been filed, recorded or deposited.

(d) Except as above provided, the Lessee will not allow the name of any person, association or corporation to be placed on the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Lessee may cause the Equipment to be lettered with the names or initials or other insignia customarily used by the Lessee on railroad equipment used by it of the same or a similar type for convenience of identification.

(e) The Lessee shall indemnify the Lessor and any assignee under Section 13 hereof against any liability, loss or expense incurred by any of them as a result of any marking of the Equipment except as contemplated herein.

(f) The Lessee agrees to comply with all governmental laws, regulations, requirements and rules foreign or domestic (including the rules of the United States Department of Transportation and the current Interchange Rules, or supplements thereto of the Mechanical Division, Association of American Railroads) with respect to the use, maintenance and operation of each Item of Equipment subject to this Lease. In case any equipment or appliance on any such Item of Equipment shall be required to be changed or replaced, or in case any additional or other equipment or appliance is required to be installed on such Item of Equipment in order to comply with such laws, regulations, requirements and rules, the Lessee agrees to make such changes, additions and replacements at its own expense.

#### Section 9. Inspection

Upon the request of Lessor, Lessee shall advise Lessor as to the location of each Item of Equipment and shall, at any reasonable time, make the Equipment available to Lessor for inspection at the place where it is ordinarily located, and shall make Lessee's records pertaining to the Equipment available to Lessor for inspection.

## Section 10. Loss or Destruction

In the event any Item of Equipment shall be lost, stolen, destroyed, damaged beyond repair or permanently rendered unfit for use, or requisitioned, taken over or nationalized by any governmental authority under the power of eminent domain or otherwise for any reason whatsoever (any such occurrence, except for any requisition by an authorized government authority which by its terms does not exceed the remaining term of this Lease, is hereinafter referred to as an "Event of Loss"), Lessee shall promptly notify Lessor and shall have the option of (a) promptly replacing such Item at its own cost and expense or (b) paying the Casualty Loss Value of the Item, as set forth in this Section 10.

Should Lessee elect to replace such Item, any replacement item shall be free and clear of all liens, encumbrances and rights of others and shall be in as good condition, and shall have a value and utility at least equal to the replaced Item, as if such Item were in the condition and repair required to be maintained by the terms hereof. All such replacement items shall become the property of Lessor and shall immediately become subject to this Lease, and shall be deemed part of the Equipment for all purposes hereof, to the same extent as the property originally comprising the Equipment; whereupon such replaced Item of Equipment shall no longer be deemed part of the Equipment leased hereunder, and Lessor will transfer to Lessee, without recourse or warranty, all of Lessor's right, title and interest, if any, therein. At the time when financial statements are to be furnished to Lessor in accordance with Section 18 hereof, Lessee shall also furnish Lessor a written list of any such replacements during the period then ended which have a value of \$1,000 or more.

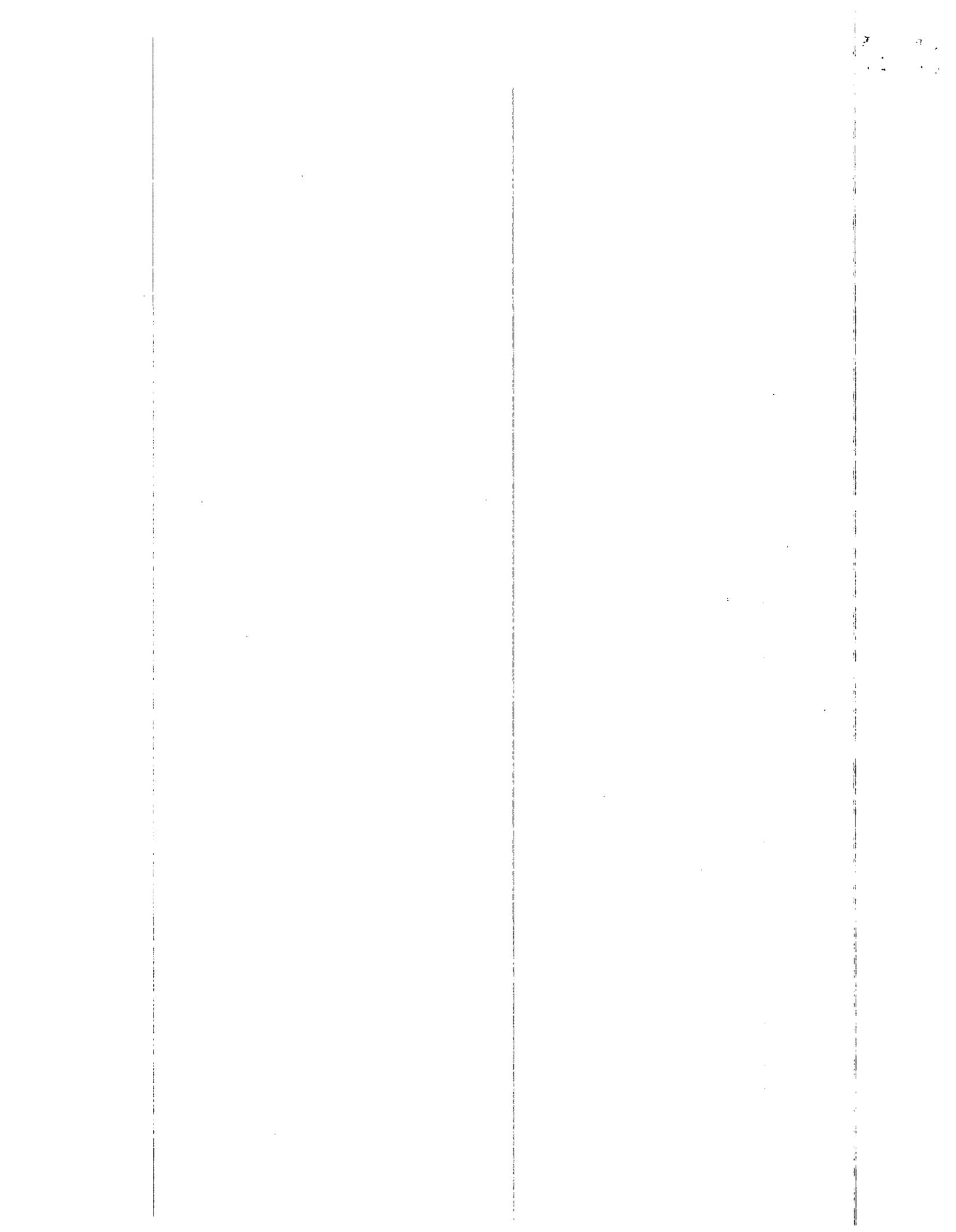
Should Lessee elect not to replace such Item of Equipment, then Lessee shall pay to Lessor, on the next Periodic Rent payment date for such item following such Event of Loss, an amount equal to the Casualty Loss Value of such Item on such Periodic Rent payment date, determined with reference to the Casualty Loss Value Schedule attached hereto as Exhibit C, and the installment of rent due on such Periodic Rent payment date. The obligation of Lessee to pay rent with respect to such Item (including the installment due on such next rent payment date) shall continue undiminished until the payment of such Casualty Loss Value and the installment of rent due on such next rent payment date. After the payment of such Casualty Loss Value, Lessee's obligation to pay rent for such Item shall cease, but Lessee's obligation to pay rent for all other Items of Equipment shall remain unchanged. After the payment of such Casualty Loss Value, Lessor will transfer to Lessee, without recourse or warranty, all of Lessor's right, title, and interest, if any, in and to such lost or destroyed Item of Equipment. The Lessee shall, as agent for the Lessor, dispose of such Item or Items of Equipment as soon as it is able to do so for the best price obtainable. Any such disposition shall be on an "AS

IS", "WHERE IS" basis without representation or warranty, express or implied. As to each separate Item of Equipment so disposed of the Lessee may retain all amounts at such price plus any insurance proceeds and damages received by the Lessee by reason of such Event of Loss up to the Casualty Loss Value attributable thereto and shall remit the excess, if any, to the Lessor. In disposing of such Item or Items of Equipment, the Lessee shall take such action as the Lessor shall reasonably request to terminate any contingent liability which the Lessor might have arising after such disposition from or connected with such Item or Items or Equipment.

In the event that during the term of this Lease the use of any Item of Equipment is requisitioned or taken by any governmental authority under the power of eminent domain or otherwise for a period which does not exceed the remaining term of this Lease, the Lessee's duty to pay rent shall continue for the duration of such requisitioning or taking. The lessee shall be entitled to receive and retain for its own account all sums payable for any such period by such governmental authority as compensation for requisition or taking of possession to an amount equal to the rent paid or payable hereunder for such period and the balance, if any, shall be payable to and retained by the Lessor as its sole property, except that if the Lessee establishes that any portion of such governmental payment was included to reimburse the Lessee for the expenses incurred by the Lessee for maintaining, repairing or for taxes with regard to such Items of Equipment, the Lessee shall be entitled to retain such portion of the governmental payment up to the amount of the reasonable expenses actually incurred by the Lessee.

#### Section 11. Insurance

At its own expense, Lessee shall (a) maintain insurance on each Item of Equipment for the actual value of such Item and in no event for less than the Casualty Loss Value for such Item of Equipment and (b) maintain adequate comprehensive general public liability and property damage insurance with respect to each Item with a requirement for not more than \$1,000,000 of self-insurance. All such insurance will be maintained during the term of this Lease with respect to each such Item and after expiration or termination of this lease during any period while Lessee has Equipment in storage for the Lessor. All such insurance shall name Lessor and Lessee as insureds, and shall be in such amounts and with such companies as shall be approved by Lessor, and shall provide that it may be altered or cancelled by the insurer only after thirty (30) days' prior written notice to, and that losses shall be adjusted only with and paid to, Lessor and its assignee, if any, and Lessee, as their interests may appear. Certificates or other evidence satisfactory to Lessor showing the existence of such insurance, the terms and conditions of the policy, and payment of the premium therefor shall be delivered to Lessor forthwith and periodically prior to each expiration of such insurance. In the event



Lessee shall fail to obtain and/or maintain insurance in accordance with the provisions of this paragraph, Lessor shall have the right to obtain such insurance as Lessor deems necessary, and Lessee shall be obligated to reimburse Lessor for the payment by Lessor of all premiums therefor. As between Lessor and Lessee it is agreed that if (i) any such insurance proceeds are received with respect to an occurrence which does not constitute an Event of Loss under Section 10, or (ii) if Lessee elects to replace the Item or Items so lost or destroyed under the provisions of Section 10 hereof, proceeds will be applied in payment for repairs and replacement property required pursuant to Sections 8 and 10 hereof, or to reimburse Lessee for having made such payments.

## Section 12. Indemnification and Expenses

(a) Lessee does hereby assume liability for, and does hereby agree to indemnify, protect, save and keep harmless Lessor and its agents and servants, from and against, any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements, including legal expenses, of whatsoever kind and nature, imposed on, incurred by or asserted against Lessor in any way relating to or arising out of the manufacture, purchase, acceptance or rejection, ownership, delivery, lease, possession, use, condition, sale, return or other disposition hereunder of the Equipment (including, without limitation, latent and other defects, whether or not discoverable by Lessee, any claim in tort for strict liability, and any claim for patent, trademark or copyright infringement). Lessee agrees to give Lessor prompt notice of any claim or liability hereby indemnified against. This Section 12 shall become and be effective and in full force and effect from the date of the execution of this Lease even though the Equipment has not yet been accepted by Lessee and even though the rental term of this Lease has not yet commenced and shall remain in effect notwithstanding the expiration or other termination of this Lease insofar as it relates to an event which occurred prior to such expiration or termination.

(b) If Lessor, under any circumstances, or for any reason whatsoever other than as set forth in paragraph (d) below, shall lose or shall not have, or shall lose the right to claim, or there shall be disallowed or recaptured, all or any portion of Federal income tax depreciation deductions with respect to the Equipment, based on depreciation of Lessor's Cost of the Equipment over a period of not more than the number of years set forth in Paragraph 3 of the Lease Supplement as the number of years over which Lessor intends to depreciate the Equipment, and to a salvage value of not more than the percentage of Lessor's Cost set forth in Paragraph 3 of the Lease Supplement as the salvage value to which Lessor intends to depreciate the Equipment, using any depreciation method

which Lessor is permitted to use under Federal income tax law and applicable regulations and which Lessor in its complete discretion may select, then Lessee will pay Lessor, as supplemental rent hereunder, with respect to each taxable year of Lessor, (i) a sum which, after deduction of all taxes required to be paid by Lessor in respect of the receipt of such sum under the laws of any Federal, state or local government or taxing authority in the United States (except to the extent that any such Federal income tax shall be required to be paid at a rate in excess of 50% of taxable income), shall be equal to the amount of any additional Federal income taxes (to the extent such taxes are required to be paid at a rate not in excess of 50% of taxable income) required to be paid with respect to such year by reason of such loss, disallowance or recapture of depreciation deductions (net of any savings in Federal income taxes required to be paid with respect to such year by reason of Lessor not being required to include in its Federal gross income for the relevant period the rent paid under this Lease or being required to so include only a portion thereof as interest) plus (ii) the amount of interest and penalties which may be payable to the United States Government by Lessor in connection with such loss, disallowance or recapture. Such payment shall be made to Lessor by Lessee on demand at any time after such additional income taxes are payable.

If Lessor, as the result of such loss of depreciation deductions with respect to any year under circumstances which required Lessee to indemnify Lessor with respect to such loss, becomes entitled to the benefit of additional depreciation deductions in excess of those which would have been available to Lessor had Lessor been able to employ the method of depreciation selected by Lessor, with respect to any subsequent year, Lessor shall pay Lessee an amount equal to the sum of the Federal income tax savings realized by Lessor with respect to such subsequent year because of such additional depreciation deductions plus any savings realized under the laws of any Federal, state or local government or taxing authority in the United States as the result of any payment made pursuant to this sentence when, as, if and to the extent such Federal income or other tax savings are realized; provided that such sum, together with the sum payable pursuant to the next succeeding sentence, shall not exceed the amounts previously paid by Lessee to Lessor pursuant to this paragraph (b) over the amounts previously paid by Lessor to Lessee pursuant to this paragraph (b). If Lessor, in computing its Federal taxable income for any taxable year during the term of this Lease, shall not be required to include in its Federal gross income for such year the rent paid under this Lease or shall be required to so include only a portion thereof as interest, Lessor shall pay Lessee an amount equal to the sum of the Federal income tax savings realized by Lessor with respect to such year as a result thereof (net of any additional Federal income taxes payable by

Lessor with respect to such year if Lessor loses the benefit of such depreciation deductions) plus any tax savings realized under the laws of any Federal, state or local government or taxing authority in the United States as the result of any payment made pursuant to this sentence when, as, if and to the extent such Federal income or other tax savings are realized; provided that such sum, together with the sum payable pursuant to the next preceding sentence, shall not exceed the excess of the amounts previously paid by Lessee to Lessor pursuant to this paragraph (b) over the amounts previously paid by Lessor to Lessee pursuant to this paragraph (b).

(c) If Lessor, under any circumstances or for any reason whatsoever other than as set forth in paragraph (d) below, shall not have or shall lose the right to claim, or there shall be disallowed or recaptured, all or any portion of the full ten (10%) percent or other percentage or amount of investment credit provided for in Section 38 of the Internal Revenue Code of 1954, as amended ( or any successor provision thereto), with respect to the Equipment, then Lessee will pay Lessor, on demand, an amount which, after deduction of all taxes required to be paid by Lessor in respect of the receipt thereof under the laws of any Federal, state or local government or taxing authority in the United States shall be equal to the amount of such investment credit so lost, disallowed or recaptured or which may not be claimed, and as a further supplemental rent hereunder Lessee will pay Lessor the amount of any interest and penalties payable by Lessor in connection with the loss, disallowance or recapture of such investment credit or the right to claim the same.

(d) Lessee shall not be required to pay Lessor the amount provided for in paragraphs (b) and (c) above if the loss, disallowance, or recapture of depreciation deductions and/or investment credit or the right to claim the same shall result solely because of the occurrence of any of the following events:

(i) Lessee is required by the terms hereof to pay and shall have paid the Casualty Loss Value;

(ii) Lessor shall fail to claim such depreciation deduction or investment credit in its income tax returns for the appropriate year or shall fail to follow the proper procedure in claiming such depreciation deduction or investment credit, and such failure to claim or to follow such procedure, as the case may be, shall preclude Lessor from claiming such depreciation deduction or investment credit;

(iii) Lessor shall fail to have sufficient income to benefit from the depreciation deduction or investment credit;

(iv) Lessor shall, at any time where no Event of Default has occurred and is continuing, without the written consent of Lessee, voluntarily transfer legal title to such Equipment to anyone, and such transfer by Lessor shall be the direct cause of such loss; or

(v) Lessor shall fail to take timely action in contesting a claim made by the Internal Revenue Service with respect to the disallowance of the depreciation deduction or investment credit pursuant to paragraph (e) below and the failure to take such action in a timely manner shall bar the right of Lessor to contest such claim.

(e) Lessor agrees to notify Lessee promptly of any claim made by the Internal Revenue Service against Lessor in respect to the disallowance of such depreciation deductions or investment credit which relates to information which may be particularly within the knowledge of Lessor. Lessor further agrees that, should all or any portion of the said depreciation deductions or investment credit be disallowed as aforesaid, Lessor will contest the disallowance, if so requested by Lessee, provided that Lessee makes adequate provision for Lessor's indemnification and the payment of all of Lessor's expenses, including legal fees, in connection therewith.

### Section 13. Sublease and Assignment

(a) So long as the Lessee shall not be in default under this Lease, the Lessee shall be entitled to the possession and use of the Equipment in accordance with the terms of this Lease, but, without the prior written consent of the Lessor, the Lessee shall not assign, transfer or encumber its leasehold interest under this Lease in any of the Equipment. The Lessee shall not, without the prior written consent of the Lessor, part with the possession or control of, or suffer or allow to pass out of its possession or control, any of the Equipment, except to the extent permitted by the provisions of this Section 13.

(b) So long as the Lessee shall not be in default under this Lease, the Lessee shall be entitled to the possession of the Equipment and to the use thereof upon the lines of railroad owned or operated by it (either alone or jointly) or by any corporation a majority of whose voting stock (i.e., having ordinary voting power for the election of a majority of its Board of Directors) is owned directly or indirectly by the Lessee, or upon lines of railroad over which the Lessee or such corporation has trackage or other operating rights or over which equipment of the Lessee is regularly operated pursuant to contract and also to permit the use of the Equipment upon connecting and other railroads in the usual interchange traffic, but only upon and subject to all the terms

and conditions of this Lease and the Lessee may receive and retain compensation for such use from other railroads using the Equipment. No assignment, sublease or interchange entered into by the Lessee hereunder shall relieve the Lessee of any liability or obligations hereunder which shall be and remain those of a principal and not a surety.

(c) Nothing in this Section 13 shall be deemed to restrict the right of Lessee to assign or transfer its lease hold interest under this Lease in the Equipment or possession of the Equipment to any corporation (which shall have duly assumed the obligations hereunder of Lessee) into or with which the Lessee shall have become merged or consolidated or which shall have acquired the property of Lessee as an entirety or substantially as an entirety.

(d) Lessor may at any time, with or without notice to Lessee, transfer, assign or grant a security interest in this lease or any Equipment or any rent or other sums due or to become due hereunder, and in such event Lessor's transferee or assignee shall have all of Lessor's rights, powers, privileges and remedies hereunder. No such assignee or transferee shall be obligated to perform any duty, covenant or condition required to be observed or performed by Lessor, and no such transferee or assignee shall be bound by, or obligated to perform or see to the performance of, any warranty, express or implied, made by Lessor, but each and all of such covenants and agreements of Lessor provided for herein and all representations and warranties shall survive any such transfer or assignment of this Lease and shall be and remain the sole liability of Lessor.

#### Section 14. Events of Default; Remedies

(a) The following events shall constitute Events of Default:

(i) Lessee shall fail to make any rent or other payment hereunder within 10 days after the same shall become due; or

(ii) Lessee shall fail to perform or observe any other covenant, condition, or agreement to be performed or observed by it under this Lease or any Lease Supplement thereto; or

(iii) Any representation or warranty made by Lessee under this Lease or any Lease Supplement thereto, or in any document or certificate furnished Lessor in connection herewith or pursuant hereto shall prove to be incorrect at any time in any material respect; or

(iv) Lessee shall become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver; or a trustee or a

receiver shall be appointed for Lessee or for a substantial part of its property without its consent and shall not be dismissed for a period of 60 days; or bankruptcy, reorganization or insolvency proceedings shall be instituted by or against Lessee and, if instituted against Lessee, shall not be dismissed for a period of 60 days; or

(v) Lessee shall be in default under any obligation for the payment of borrowed money, for the deferred purchase price of property or for the payment of any rent under any lease agreement covering real or personal property, and the applicable grace period with respect thereto shall have expired and via the obligation shall not be contested in good faith by appropriate legal proceeds.

(vi) Lessee shall suspend or terminate the operation of its business.

(b) If any Event of Default has occurred and is continuing, Lessor may, at its option:

(i) Proceed by appropriate court action or actions, either at law or in equity, to enforce performance by Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof; or

(ii) By notice in writing to Lessee, terminate this Lease, whereupon all right of Lessee to the use of the Equipment shall absolutely cease and terminate as though this Lease had never been made, but Lessee shall deliver possession of the Equipment to Lessor in accordance with Section 15 hereof and Lessee shall remain liable as hereinafter provided; and thereupon, Lessor may by its agents and without notice to Lessee enter upon the premises of Lessee or other premises where any of the Equipment may be located and take possession of all or any of such Equipment and thenceforth hold, possess and enjoy the same free from any right of Lessee, or its successors or assigns, to use the Equipment for any purpose whatever, but Lessor, shall, nevertheless, have a right to recover from Lessee any and all amounts which may have accrued to the date of such termination and also to recover forthwith from Lessee (A) as damages for loss of the bargain and not as a penalty, a sum, with respect to each Item of Equipment, which represents the excess of the present worth, at the time of such termination, of all rents for such Item which would otherwise have accrued hereunder from the date of such termination to the end of the term of this Lease over the then present worth of the then fair rental value of such Item for such period computed by discounting from the end of such term to the date of such

3-

termination rents which Lessor reasonably estimates to be obtainable for the use of the Item during such period, such present worth to be computed in each case on a basis of a discount equal to the corporate base rate of interest announced by The First National Bank of Chicago in effect on the date of termination compounded from the respective dates upon which rents would have been payable hereunder had this Lease not been terminated, and (B) reasonable expenses including reasonable attorney's fees, which Lessor shall have sustained by reason of the breach of any covenant or covenants of this Lease, other than for the payment of rental.

(c) The remedies in this Lease provided in favor of Lessor shall not be deemed exclusive, but shall be cumulative and shall be in addition to all other remedies in its favor existing at law or in equity. Lessee hereby waives any mandatory requirements of law, now or hereafter in effect, which might limit or modify any of the remedies herein provided, to the extent that such waiver is permitted by law. Lessee hereby waives any and all existing or future claims of any right to assert any off-set against the rent payments due hereunder, and agrees to make the rent payments regardless of any off-set or claim which may be asserted by Lessee on its behalf in connection with the lease of the Equipment.

#### Section 15. Return of Equipment upon Default.

(a) If the Lessor or any assignee shall terminate this Lease pursuant to Section 14 hereof, the Lessee shall forthwith deliver possession of the Equipment to the Lessor. For the purpose of delivering possession of any Item of Equipment to the Lessor as above required, the Lessee shall at its own cost, expense and risk (except as hereinafter stated):

(i) Forthwith place such Equipment in such reasonable storage place on the Lessee's lines of railroad as the Lessor may designate or, in the absence of such designation, as the Lessee may select;

(ii) Permit the Lessor to store such Equipment in such reasonable storage place on the Lessee's lines of railroad for a period not exceeding 180 days at the risk of the Lessee; and

(iii) Transport the Equipment, at any time within such 180 days' period, to any place on the lines of railroad operated by the Lessee or to any connecting carrier for shipment, all as the Lessor may reasonably direct upon not less than 30 days' written notice to the Lessee.

(b) The assembling, delivery storage and transporting of the Equipment as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity have

hereto, in accordance with the laws of such jurisdictions as Lessor may from time to time deem advisable. Lessee also agrees to furnish Lessor:

(i) An audit report prepared by independent certified public accountants, or other accountants acceptable to Lessor within 150 days after the close of each fiscal year of Lessee occurring after the date of this Lease;

(ii) Balance sheets as of the end of each quarterly period of Lessee's fiscal years and profit and loss and surplus statements certified as accurate by an officer of Lessee within 45 days after the close of each such quarterly period; and

(iii) From time to time such other information as Lessor may reasonably request.

#### Section 18. Notices

All notices required under the terms and provision hereof shall be in writing, and any such notice shall become effective when deposited in the United States mail, with proper postage for ordinary mail prepaid, addressed:

If to Lessee, at the address of Lessee set forth on the first page hereof.

If to Lessor:

First Chicago Leasing Corporation  
One First National Plaza  
Chicago, Illinois 60670

or at such other address as such party shall from time to time designate for itself in writing to the other party.

#### Section 19. Miscellaneous

Any provision of this Lease which may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, Lessee hereby waives any provision of law which renders any provision hereof prohibited or unenforceable in any respect. No term or provision of this Lease may be changed, waived, discharged or terminated orally, but only by an instrument in writing

jurisdiction in the premises, the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so as to assemble, deliver, store and transport the Equipment.

Section 16. Lessor's Right To Perform For Lessee

If Lessee fails to perform or comply with any of its agreements contained herein, Lessor may itself perform or comply with such agreement, and the amount of the reasonable expenses of Lessor incurred in connection with such performance of or compliance with such agreement shall be payable by Lessee to Lessor upon demand.

Section 17. Further Assurances; Financial Information

(a) The Lessor will, at the sole cost and expense of the Lessee, make suitable arrangements to have this Lease and each first mortgage and/or assignment executed by the Lessor with respect to the Equipment or the Lease duly filed, registered or recorded in conformity with 49 U.S.C 13303 of the Interstate Commerce Act, and to have the same (or a financing statement or similar notice thereof if and to the extent permitted or required by applicable law) deposited, filed, registered or recorded in such other places within or without the United States as the Lessor may reasonably require for the protection of its title or the security interest of such mortgagee or assignee. The Lessee will, from time to time, do and perform any other act and will execute, acknowledge, deliver, file, register and record (and will re-file, re-register, or re-record wherever and whenever required) any and all further instruments required by law or reasonably requested by the Lessor for the purpose of protecting the Lessor's title to, or each such mortgagee's or assignee's security interest in, the Equipment to the satisfaction of the Lessor's or such mortgagee's or assignee's counsel or for the purpose of carrying out the intention of this Lease, and in connection with any such action, will deliver to the Lessor proof of such filing and an opinion of the Lessee's counsel that such action has been properly taken. The Lessee will pay all costs, charges and expenses incident to any such filing, re-filing, registering, re-registering, recording, re-recording of any such instruments or incident to the taking of such action.

(b) Lessee will promptly and duly execute and deliver to Lessor such further documents and assurances and take such further action as Lessor may from time to time reasonably request in order to carry out the intent and purpose of this Lease and to establish and protect the rights and remedies created or intended to be created in favor of Lessor hereunder, including, without limitation, if requested by Lessor, at the expense of Lessee, the execution and delivery of financing statements with respect

**ASSIGNMENT**

.....  
a ..... corporation (herein called the "Assignor") in consideration of \$1.00 in hand paid and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby sells, assigns, transfers and sets over to First Chicago Leasing Corporation, a Delaware corporation (herein called the "Assignee") all of the Assignor's right, title and interest in and to the equipment listed in the schedule attached hereto (herein called the "Equipment"), Assignor's right to acquire said Equipment from .....

.....  
(herein called the "Vendor(s)"), and, without limitation of the foregoing, including within the right, title and interest hereby assigned: (i) the right to accept delivery of the Equipment, (ii) the right to take title to the Equipment and to be named the purchaser in any bills of sale to be delivered by the Vendor(s), and (iii) the right to enforce all claims for damages and exercise any and all other rights in respect to the Equipment arising as a result of the default by any Vendor(s) or the non-conformance of any part of the Equipment with specifications or warranties, or otherwise.

It is expressly agreed that anything herein contained to the contrary notwithstanding: (a) the Assignor shall at all times remain liable to the Vendor(s) to perform all of its duties and obligations with respect to the Equipment to the same extent as if this assignment had not been executed; and (b) the Assignee shall have no obligation or liability with respect to the Equipment or the Vendor(s) by reason of, or arising out of, this assignment.

The Assignor agrees that at any time and from time to time upon the written request of the Assignee the Assignor will promptly and duly execute and deliver any and all such further instruments and take such further action as the Assignee may reasonably request in order to obtain the full benefits of this assignment and of the rights and powers herein granted and to accomplish the purposes hereof.

The Assignor does hereby further represent and warrant that the Assignor has not assigned or pledged, and hereby covenants that it will not assign or pledge, in whole or in part, any of the interest hereby assigned to anyone other than the Assignee.

This assignment is entered into, and shall be governed by, and construed in accordance with, the laws of the State of Illinois, including all matters of construction, validity and performance.

IN WITNESS WHEREOF, the Assignor has caused this instrument of assignment to be duly executed this ..... day of ....., 197...

.....  
By .....  
Its .....

**ACCEPTANCE**

The foregoing assignment is hereby accepted this ..... day of ....., 197...

FIRST CHICAGO LEASING CORPORATION

By .....

Its .....

**CONSENT AND AGREEMENT**

The undersigned Vendor(s) hereby consent(s) to the above assignment and agree(s) that, notwithstanding the above assignment, none of the duties or obligations of Assignor with respect to the Equipment has been assigned to or in any manner assumed by the Assignee. The undersigned further agree(s) that upon delivery to and final acceptance of the Equipment, title thereto shall vest in the Assignee, and the undersigned will execute and deliver to Assignee an invoice covering the purchase price of the Equipment, and, if requested by Assignee, a Bill of Sale for the Equipment conveying and warranting good title to the Equipment to the Assignee free and clear of all liens and encumbrances, and the opinion of counsel for the undersigned that the Bill of Sale is valid and effective to transfer good title to the Equipment to the Assignee.

Dated ....., 197... .....

By .....

Its .....

signed by the party against which the enforcement of the change, waiver, discharge or termination is sought. This Lease shall constitute an agreement of lease, and nothing herein shall be construed as conveying to Lessee any right, title or interest in or to the Equipment except as a lessee only. Lessor shall have the right, at any time during the term of this Lease, to appoint a bank or trust company or any individual trustee or trustees selected by it to act as agent or trustee for it hereunder. The captions in this Lease are for convenience of reference only and shall not define or limit any of the terms or provisions hereof. This Lease shall in all respects be governed by, and construed in accordance with, the laws of the State of Illinois, including all matters of construction, validity and performance.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be duly executed on behalf of each of them as of the date first above written.

(Corporate Seal)

FIRST CHICAGO LEASING CORPORATION

Attest:

By

*Marty C. O'Connell*

*William R. Mord*  
Assistant Secretary

Its

*Leasing Officer*

(Corporate Seal)

THE BELT RAILWAY COMPANY OF CHICAGO

Attest:

By

*M. Maudy*

*M. Maudy*  
Assistant Secretary

Its

*PRESIDENT*

Attachments to Equipment Lease Agreement:

- Assignment, Acceptance, and Consent and Agreement
- Exhibit A - From of Certificate of Acceptance
- Exhibit B - Lease Supplement (pages 1 to 3)
- Exhibit C - Casualty Loss Value Schedule

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK )

On this 8th day of February, 1980, before me personally appeared Monty Owen & William Monelli, to me personally known, who being by me duly sworn, says that he/she is a leasing officer & assistant secretary of First Chicago Leasing Corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

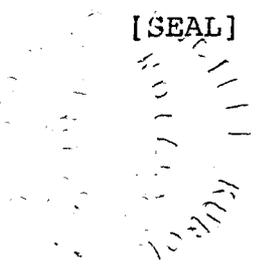


Carlene Y. Hicks
Notary Public

My commission expires October 4, 1982.

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK )

R.E. Dowdy On this 31st day of JANUARY, 1980, before me personally appeared G.D. MORIARTY, to me personally known, who being by me duly sworn, says that he/she is a SECRETARY <sup>PRESIDENT</sup> of The Belt Railway Company of Chicago, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Lucille Knowlton
Notary Public

My commission expires June 2, 1982.

EXHIBIT A

CERTIFICATE OF ACCEPTANCE NO. ....  
UNDER EQUIPMENT LEASE AGREEMENT DATED AS OF ....., 197.  
BETWEEN FIRST CHICAGO LEASING CORPORATION, LESSOR,  
AND  
....., LESSEE

Lessor and Lessee have entered into the Equipment Lease Agreement identified above (herein incorporated by reference and called the "Lease") pursuant to which Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor, the Equipment described in one or more Certificates of Acceptance.

Now, THEREFORE, Lessee by executing this Certificate of Acceptance and Lessor by accepting it hereby agree as follows:

1. *Equipment.* The Lessee hereby certifies that the following Items of Equipment have been delivered to and accepted by Lessee.....on ....., 197., pursuant to the terms of the Lease, at the location and having a Lessor's Cost as follows (use attached schedules if necessary):

<u>Description of Item</u>	<u>Location</u>	<u>Lessor's Cost</u>
----------------------------	-----------------	----------------------

2. *Lease Term.* The term of the lease with respect to the Equipment described herein commences on the date of acceptance set forth in paragraph 1 above and, unless earlier terminated in accordance with the provisions of the Lease, terminates on ....., 19...

3. *Rent Payments* (calculated with reference to the Lease Supplement). Lessee agrees to pay to Lessor rent for the Item or Items of Equipment described herein as follows:

(a) Interim Rent in an amount equal to \$...... per day, for the period from and including ....., 197. to but excluding ....., 197., payable on ....., 197..

(b) Periodic Rent in ..... equal consecutive ..... installments each equal to \$....., the first of which shall be payable on the .... day of ....., 197. and the remainder of which shall be payable thereafter on the .... day of each ..... of each year thereafter to and including ....., 19...

Accepted by Lessor this ..... day of ....., 19...	By..... Its.....
--	---------------------

FIRST CHICAGO LEASING CORPORATION

By.....  
Its.....

EXHIBIT B

(page 1 of 3)

SUPPLEMENT TO EQUIPMENT LEASE AGREEMENT DATED AS OF ..... February 1980.

BETWEEN

FIRST CHICAGO LEASING CORPORATION, LESSOR.

AND

The Belt Railway Company of Chicago, LESSEE

1. Lease Term.

The term of the Lease with respect to each Item of Equipment commences on the date of its acceptance by Lessee, as evidenced by the Certificate of Acceptance delivered with respect thereto, and, unless earlier terminated in accordance with the provisions of the Lease, terminates at the expiration of .... years and .... months from the payment date of the first installment of Periodic Rent.

2. Rent and Rent Payment Dates.

(a) INTERIM RENT. Lessee agrees to pay Lessor interim rent ("Interim Rent") for each Item of Equipment subject to this Lease in an amount equal to (i) Lessor's Cost for such Item, multiplied by (ii) .....%, multiplied by (iii) the number of days from and including the date of payment of Lessor's Cost of such Item to but excluding ..... n/a ..... , 197 .

(b) PERIODIC RENT. Lessee agrees to pay to Lessor periodic rent ("Periodic Rent") for each Item of Equipment subject to this Lease, in .60. equal consecutive ... quarterly... installments, each in an amount equal to 2.547.5% of Lessor's Cost of such Item.

(c) RENT PAYMENT DATES. The total amount of Interim Rent for all Items of Equipment subject to this Lease shall be due and payable on ..... n/a ..... , 197 . The first installment of Periodic Rent for all Items of Equipment subject to this Lease shall be due and payable on ... May .\*, ..... , 1980 and subsequent installments of Periodic Rent for each Item of Equipment shall be due and payable on the ...\*... day of each February, May, August, & NOV... thereafter to and including February...\*, 1995

3. Depreciation: Supplement to Section 12(b).

This Paragraph supplements the indemnification provisions of Section 12(b) relating to loss by Lessor of certain depreciation deductions. The number of years over which Lessor intends to depreciate the Equipment is .... 12 ... years. The salvage value to which Lessor intends to depreciate the Equipment is 1.0% of Lessor's Cost.

\* The day of the month on which Lessor's Cost of such Item is paid.

EXHIBIT B

(page 2 of 3)

SUPPLEMENT TO EQUIPMENT LEASE AGREEMENT DATED AS OF February 1, 1980.

BETWEEN

FIRST CHICAGO LEASING CORPORATION, LESSOR

AND

The Belt Railway Co. of Chicago, LESSEE

*Renewal Option*

Upon the expiration of the lease term or any renewal term, provided no Event of Default shall have occurred and be continuing, Lessee at its option may extend the term of the Lease for a period of . . . 2 . . . year(s) provided Lessee shall have notified Lessor in writing of Lessee's intention to exercise such option at least 90 days prior to the expiration of the initial or renewal term of this Lease as the case may be.

Lessee agrees to pay Lessor as rent for the Equipment for each renewal term in . . . 8 . . . equal consecutive quarterly installments an amount equal to the fair rental value of the Equipment at the commencement of each such renewal term. The first such rental payment shall be payable three months following the commencement of said renewal term and subsequent payments shall be due on the like day of each quarterly period thereafter.

The fair rental value of the Equipment shall be the value upon which a willing lessor and a willing lessee would agree, for the term involved, each respectively under no compulsion to lease. The fair rental value is to be determined by agreement between Lessor and Lessee, and if they cannot agree then by an independent appraiser selected by Lessor but satisfactory to Lessee. The cost of any such appraisal shall be borne equally by Lessor and Lessee.