CRAVATH, SWAINE & MOORE

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CABLE ADDRESSES
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AUG 21 10 10 AM '80
I. C. C.
FEE OPERATION BR.

RECORDATION NO. 11671-C Filed & Recorded

No. 234032

Date AUG 21 1980

Fee $ 10.00

AUG 21 1980 - 10 15 AM

INTERSTATE COMMERCE COMMISSION

ICC Washington, D. C.

August 11, 1980

Amendment Agreement No. 3 Dated as of July 31, 1980
Amending Conditional Sale Agreement
Filed under Recordation No. 11671

Dear Madam:

Pursuant to 49 U.S.C. § 11303 and the Commission's rules and regulations thereunder, as amended, I enclose herewith on behalf of Missouri Pacific Railroad Company for filing and recordation counterparts of the following document:

Amendment Agreement No. 3 dated as of July 31, 1980, among, Missouri Pacific Railroad Company, General Motors Corporation (Electro-Motive Division), General Electric Company, Bethlehem Steel Corporation, Greenville Steel Car Company, Fruit Growers Express Company and Mercantile Trust Company, N.A.

Amendment Agreement No. 3 amends a Conditional Sale Agreement, dated as of March 1, 1980, previously filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 14, 1980, at 2:25 p.m., Recordation Number 11671.

Amendment Agreement No. 3 covers the addition of the following equipment to the aforementioned document:

Thirty-five (35) 100-ton Wood Chip Hopper Cars bearing identifying numbers MP592950 through MP592984, inclusive.

Amendment Agreement No. 3 also covers the exclusion from the aforementioned document of 28 100-ton Box Cars bearing identifying numbers MP269431 through MP269458, inclusive.

Please file and record Amendment Agreement No. 3 submitted with this letter and assign it Recordation Number 11671-C.

Enclosed is a check for $10 payable to the Interstate Commerce Commission for the recordation fee for the Amendment Agreement.

Please stamp all counterparts of the enclosed document with your official recording stamp. You will wish to retain one copy of the instrument and the original of this transmittal letter for your files. It is requested that the remaining counterparts of the document be delivered to the bearer of this letter.

Very truly yours,

Roger D. Turner/CBW

Roger D. Turner
As Agent for Missouri Pacific Railroad Company

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

Encls.

Interstate Commerce Commission
Washington, D.C. 20423

8/21/80

OFFICE OF THE SECRETARY

Roger D. Turner
Cravath,Swaine & Moore
One Chase Manhattan Plaza
New York, N.Y. 10005

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 8/21/80 at 10:15am, and assigned recordation number(s). 11671-C

Sincerely yours,

Agatha L. Mergenovich

Agatha L. Mergenovich
Secretary

Enclosure(s)

SE-30
(7/79)

ICC Filing

RECORDATION NO. 11671-C Filed & Recorded

[CS&M Ref. 2043-986]

AUG 21 1980 -10 15 AM

INTERSTATE COMMERCE COMMISSION

AMENDMENT AGREEMENT NO. 3, dated as of July 31, 1980, among Missouri Pacific Railroad Company (the "Railroad"), General Motors Corporation (Electro-Motive Division), General Electric Company, Bethlehem Steel Corporation, Greenville Steel Car Company, and Fruit Growers Express Company (collectively called the "Builders" and individually called "GM", "GE", "Bethlehem", "Greenville" and "Fruit Growers", respectively), and Mercantile Trust Company, N.A. (the "Assignee").

WHEREAS the Railroad and the Builders (except Greenville) have entered into a Conditional Sale Agreement dated as of March 1, 1980 (the "Conditional Sale Agreement"), providing for the construction, sale and delivery of certain items of railroad rolling stock specified in Schedule B thereto (the "Equipment");

WHEREAS the Builders (except Greenville) and the Assignee have entered into an Agreement and Assignment dated as of March 1, 1980 (the "Assignment"), assigning to the Assignee the rights of such Builders under the Conditional Sale Agreement therein specified;

WHEREAS the Conditional Sale Agreement and the Assignment were filed and recorded with the Interstate

Commerce Commission pursuant to 49 U.S.C. § 11303 on April 14, 1980, at 2:25 p.m., and were assigned recordation number 11671;

WHEREAS the Conditional Sale Agreement and the Agreement and Assignment were amended by Amendment Agreement No. 1 dated as of April 1, 1980, among the Railroad, GE and the Assignee ("Amendment Agreement No. 1");

WHEREAS Amendment Agreement No. 1 was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 24, 1980, at 1:35 p.m., and was assigned recordation number 11671-A;

WHEREAS the Conditional Sale Agreement and the Agreement and Assignment were amended by Amendment Agreement No. 2 dated as of May 1, 1980, among the Railroad, Bethlehem and the Assignee ("Amendment Agreement No. 2");

WHEREAS Amendment Agreement No. 2 was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on May 15, 1980, at 3:50 p.m., and was assigned recordation number 11671-B;

WHEREAS the Railroad and the Builders desire to amend the Conditional Sale Agreement by excluding from the Equipment the units which were to be manufactured and sold by Fruit Growers, and to substitute therefor certain units of equipment to be manufactured and sold by Greenville and hav-

ing a useful life at least equal to the useful life of the excluded equipment, all as more specifically set forth below;

WHEREAS the Assignee and the Builders propose to amend the Assignment to reflect the amendments to the Conditional Sale Agreement herein referred to; and

WHEREAS this substitution of Equipment is authorized by the third paragraph of Paragraph 2 of the Finance Agreement without the consent of the Investors.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and of other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto hereby agree as follows:

1. The reference to "Fruit Growers Express Company" is hereby deleted from the first introductory paragraph of the Finance Agreement dated as of March 1, 1980, among the Railroad, the Assignee and the investors named in Schedule A thereto and "Greenville Steel Car Company" is hereby substituted therefor.

2. Schedule B of the Conditional Sale Agreement is hereby amended to delete the following units of Equipment:

Builder:	Fruit Growers Express Company
Type:	100-ton Boxcars

AAR Mechanical Designation:	XP
Builder's Specifications:	S-467
Builder's Plant:	Alexandria, Virginia
Quantity:	28
Unit Base Price:	$76,400
Total Base Price:	$2,139,200
Road Numbers or Serial Numbers (Inclusive):	MP269431-MP269458
Estimated Time of Delivery at Builder's Plant:	July 1980

3. The Conditional Sale Agreement, a counterpart of which is attached hereto and incorporated herein by reference, is hereby amended by (w) by deleting the last sentence of the first paragraph of Article 3 thereof, (x) deleting all references to Fruit Growers and substituting as a party thereto, Greenville, which shall be deemed included for all purposes as a "Builder" therein, (y) amending and restating Item 1(d) and Item 2(d) of Schedule A to the Conditional Sale Agreement as set forth in Schedule A attached hereto, and deleting "Fruit Growers" and substituting therefor "Greenville" in Item 3, and (z) adding to Schedule B to the Conditional Sale Agreement the information with respect to equipment to be built by Greenville, as set forth in Schedule B hereto.

4. The Assignment, a counterpart of which is

attached hereto and incorporated herein by reference, is hereby amended (x) by deleting all references to Fruit Growers and substituting as a party thereto, Greenville, which shall be deemed included for all purposes as a "Builder" therein, and (y) by adding after the word "hereof" in the third line of the introductory paragraph thereof the words "as amended by Amendment Agreement No. 1 dated as of April 1, 1980, Amendment Agreement No. 2 dated as of May 1, 1980, and Amendment Agreement No. 3 dated as of July 31, 1980".

5. The Assignee hereby consents to the foregoing amendments to the Conditional Sale Agreement and the Assignment and the addition of Greenville as a party to each thereof.

6. The Railroad will promptly cause this Amendment Agreement to be filed and recorded in accordance with the provisions of Article 19 of the Conditional Sale Agreement prior to the delivery of any Equipment by Greenville under the Conditional Sale Agreement.

7. Except as hereby or heretofore amended, the Conditional Sale Agreement and the Assignment shall remain unaltered and in full force and effect.

8. This Amendment Agreement shall be governed and construed in accordance with the laws of the State of Missouri; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

9. This Amendment Agreement may be executed in several counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party shall execute a counterpart thereof.

IN WITNESS WHEREOF, the parties hereto have caused their names to be signed hereto by their respective officers thereunto duly authorized, and their respective corporate seals, duly attested, to be hereunto affixed as of the day and year first above written.

MISSOURI PACIFIC RAILROAD COMPANY,

by _____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

MERCANTILE TRUST COMPANY, N.A.,

by _____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

GREENVILLE STEEL CAR COMPANY,

by

_____
Chairman of the Board

[Corporate Seal]

Attest:

_____
Assistant Secretary

GENERAL MOTORS CORPORATION
(Electro-Motive Division),

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

GENERAL ELECTRIC COMPANY,

by

_____
General Manager-
Locomotive Operations

[Corporate Seal]

Attest:

_____
Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by

_____
Vice President

[Corporate Seal]

Attest:

_____

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this 8th day of August 1980, before me personally appeared M. M. HENNELLY, to me personally known, who, being by me duly sworn, says that he is a Vice President of MISSOURI PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Joann Sanders
Notary Public

JOANN SANDERS
NOTARY PUBLIC, STATE OF MISSOURI
MY COMMISSION EXPIRES SEPT. 10, 1982
CITY OF ST. LOUIS

[Notarial Seal]

My Commission expires: 9/10/82

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of MERCANTILE TRUST COMPANY, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation and that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires:

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF MERCER,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is Chairman of the Board of GREENVILLE STEEL CAR COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires:

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (Electro-Motive Division), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires:

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires

Schedule A

Item 1: (d) Greenville Steel Car Company, a Pennsylvania corporation, Union Street, Greenville, Pennsylvania 16125.

Item 2: [Warranty of materials and Workmanship] (d) Greenville Steel Car Company ("Greenville") warrants that its Equipment will be built in accordance with the Specifications and the standards and requirements set forth or referred to in Article 2 of this Agreement and warrants that its Equipment will be free from defects in material (except as to specialties incorporated therein specified by the Railroad and not manufactured by Greenville) and workmanship and design (except as to designs specified by the Railroad and not developed by Greenville) under normal use and service, Greenville's obligation under this Item 2(d) being limited to making good at its plant any part or parts of any unit of its Equipment which shall, within ~~two~~ one year or 50,000 miles, whichever occurs first, after the delivery of such units of its Equipment to the Railroad, be returned to Greenville with transportation charges prepaid and which examination by Greenville shall disclose to its satisfaction to have been thus defective. In no event shall Greenville be liable to anyone for any incidental, special or consequential damages of any kind. The foregoing warranty is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose, except for its obligations or liabilities under Articles 2, 3, 4 and 14 of the Agreement, and Item 3 below, and Greenville neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment.

Greenville agrees to use its best efforts to include, as a condition of its purchase order with the vendor of any specialty purchased by Greenville for incorporation in the Equipment manufactured by it, an agreement by such vendor to the effect that all warranty agreements and representations, if any, made by such vendor with respect to such specialty may be enforced by the

Railroad, in the Railroad's own name, by Greenville, in Greenville's own name, or by Greenville and the Railroad jointly; provided, however, that if any vendor does not accept such an agreement and Greenville so notifies the Railroad, Greenville shall have no obligation to the Railroad under this sentence if such an agreement is not contained in any such purchase order. Greenville further agrees that, whether or not such an agreement is contained in any such purchase order, the Railroad as well as Greenville may to the extent permitted by law take and prosecute claims against vendors of specialties purchased by Greenville for incorporation in the Equipment manufactured by Greenville for the breach of any warranty by the vendors with respect to such specialties. Greenville and the Railroad each agree to notify the other prior to the assertion of any claim by them against any such vendors of specialties. If Greenville determines that it has no interest in any such claim asserted by the Railroad, Greenville agrees to assign to the Railroad, solely for the purpose of making and prosecuting any such claim, all of the rights which Greenville has against such vendor for the breach of warranty or other representation respecting the Equipment manufactured by it. The word "specialties" as used herein shall be deemed to include articles, materials, systems, formulae and processes.

Greenville further agrees with the Railroad that neither the inspection as provided in Article 3 of this Agreement, nor any examination, nor the acceptance of any units of the Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 2(d).

Schedule B

Builder:	Greenville Steel Car Company
Type:	100-ton Wood Chip Hopper Cars
AAR Mechanical Designation:	HTS
Builder's Specifications:	H-6043B EHH
Builder's Plant:	Greenville, Pennsylvania
Quantity:	35
Unit Base Price:	$58,300
Total Base Price:	$2,040,500
Road Numbers or Serial Numbers (Inclusive):	MP592950-MP592984
Estimated Time and Place of Delivery at Builder's Plant:	OCTOBER DECEMBER 1980 ~~November~~ 1980--~~January 1981~~ EHH

EXHIBIT A

[CS&M 2043-986]

CONDITIONAL SALE AGREEMENT

Dated as of March 1, 1980

Between each of

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

GENERAL ELECTRIC COMPANY,

BETHLEHEM STEEL CORPORATION

and

FRUIT GROWERS EXPRESS COMPANY

and

MISSOURI PACIFIC RAILROAD COMPANY

AGREEMENT AND ASSIGNMENT

Dated as of March 1, 1980

Between each of

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

GENERAL ELECTRIC COMPANY,

BETHLEHEM STEEL CORPORATION

and

FRUIT GROWERS EXPRESS COMPANY

and

MERCANTILE TRUST COMPANY, N.A.,
as Agent.

Filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 14, 1980, at 2:25 p.m., recordation number 11671, and conformed to reflect Amendment Agreements dated as of April 1, 1980, and May 1, 1980, respectively, filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 24, 1980, at 1:35p.m., recordation number 11671-A, and May 15, 1980, at 3:50 p.m., recordation number 11671-B, respectively.

CONDITIONAL SALE AGREEMENT

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CONDITIONAL SALE AGREEMENT dated as of March 1, 1980, between each of GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION), GENERAL ELECTRIC COMPANY, BETHLEHEM STEEL CORPORATION and FRUIT GROWERS EXPRESS COMPANY (collectively the "Builders" or severally the "Builder", or collectively or severally the "Vendor" as the context may require, all as more particularly set forth in Article 1 hereof), and MISSOURI PACIFIC RAILROAD COMPANY, a Delaware corporation (the "Railroad").

The Builders severally have agreed to construct, sell and deliver to the Railroad, and the Railroad has agreed to purchase, the equipment described in Schedule B hereto (the "Equipment").

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

ARTICLE 1. Certain Definitions. The term "Vendor", whenever used in this Agreement, means, before any assignment of any of their rights hereunder, the respective corporations named in Item I of Schedule A hereto and any successor or successors for the time being to their manufacturing properties and businesses, and, after any such assignment, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also any assignor as regards any rights hereunder that are retained or excluded from any assignment. The parties hereto contemplate that this Agreement shall be assigned to Mercantile Trust Company, N.A., acting as agent under a Finance Agreement dated as of the date hereof (said agent being hereinafter sometimes called the "Agent" and said Finance Agreement being hereinafter called the "Finance Agreement"). The term "Builder", whenever used in this Agreement, means, both before and after any such assignment, the respective corporations (as to the units of Equipment to be constructed by such corporation and sold hereunder) named in Item 1 of Schedule A hereto and any successor or successors for the time being to their respective manufacturing properties and businesses.

The rights and obligations of the Builders under this Agreement are several in accordance with their interests

and not joint. Accordingly, whenever this Agreement, by the use of such designation as "the Vendor", "such Builder" or other similar term, confers a right or imposes an obligation upon any corporation named in Item 1 of Schedule A hereto or its successor, such right or obligation shall be construed to accrue to or to be enforceable against only the specific corporation furnishing the units of Equipment giving rise to such right or obligation and its successors as herein provided.

ARTICLE 2. Construction and Sale. Pursuant to this Agreement, each Builder shall construct the units of the Equipment to be constructed by it as described in Schedule B hereto (such units of Equipment with respect to such Builder being hereinafter called "its Equipment") at its plant set forth in said Schedule B and will sell and deliver to the Railroad, and the Railroad will purchase from such Builder and accept delivery of and pay for (as hereinafter provided), such Equipment, each unit of which shall be constructed in accordance with the specifications set forth or referred to therefor in Schedule B hereto and in accordance with such modifications thereof as may be agreed upon in writing between such Builder and the Railroad (which specifications and modifications, if any, are hereinafter called the "Specifications"). The design, quality and component parts of each unit of the Equipment shall conform, on the date of completion of manufacture of each thereof, to all Department of Transportation and Interstate Commerce Commission requirements and specifications and to all standards recommended by the Association of American Railroads reasonably interpreted as being applicable to equipment of the character of such units of the Equipment and each unit of the Equipment will be new railroad equipment.

ARTICLE 3. Inspection and Delivery. Each Builder will deliver the units of its Equipment to the Railroad at the place or places specified in Schedule B hereto (or if said Schedule B does not specify a place or places, at the place or places designated from time to time by the Railroad), freight charges, if any, prepaid and for the account of the Railroad in accordance with the delivery schedule set forth in Schedule B hereto; provided, however, that no Builder shall have any obligation to deliver any unit of Equipment hereunder at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 hereof or if any event of default (as described in said Article 16), or event which with the lapse of time and/or demand could

constitute such an event of default, shall have occurred and be continuing. It is agreed between the Railroad and Fruit Growers Express Company that the obligation of Fruit Growers Express Company to construct the units of its Equipment is subject to its constructing the same type of equipment for Consolidated Rail Corporation.

Each Builder's obligation as to time of delivery is subject, however, to delays resulting from causes beyond such Builder's reasonable control, including but not limited to acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities, delays in receiving necessary materials or delays of carriers or subcontractors.

Notwithstanding the preceding provisions of this Article 3, any Equipment not delivered, accepted and settled for pursuant to Article 4 hereof on or before the Cut-Off Date (as defined in Article 4 hereof) shall be excluded herefrom. If any unit or units of Equipment shall be excluded from this Agreement pursuant to the preceding sentence, the Builder or Builders of such unit or units and the Railroad shall execute an agreement supplemental hereto limiting this Agreement to the units of Equipment not so excluded herefrom. If a Builder's failure to deliver Equipment so excluded from this Agreement resulted from one or more of the causes set forth in the immediately preceding paragraph, the Railroad shall nevertheless be obligated to accept such Equipment and pay the full purchase price therefor, determined as provided in this Agreement, if and when such Equipment shall be completed and delivered by such Builder, such payment to be in cash on the delivery of such Equipment, either directly or, in case the Railroad shall arrange therefor, by means of a conditional sale agreement, equipment trust or such other appropriate method of financing as the Railroad shall determine and as shall be reasonably acceptable to such Builder.

During construction, the Equipment shall be subject to inspection and approval by the authorized inspectors of the Railroad and each Builder shall grant to such authorized inspectors reasonable access to its plant. Each Builder agrees to inspect all materials used in the construction of

its Equipment in accordance with the standard quality control practices of such Builder. Upon completion of each unit or of a number of units of the Equipment, such unit or units shall be presented to an inspector of the Railroad for inspection at the place specified for delivery of such unit or units, and if each such unit conforms to the Specifications, requirements and standards applicable thereto, such inspector or an authorized representative of the Railroad shall execute and deliver to such Builder a certificate of acceptance (the "Certificate of Acceptance") stating that such unit or units have been inspected and accepted on behalf of the Railroad and are marked in accordance with Article 7 hereof; provided, however, that such Builder shall not thereby be relieved of its warranty referred to in Article 14 hereof.

On delivery to and acceptance by the Railroad of each such unit hereunder at the place specified for delivery, the Railroad will assume the responsibility and risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of such unit.

ARTICLE 4. Purchase Price and Payment. The base price or prices per unit of the Equipment are set forth in Schedule B hereto. Such base price or prices are subject to such increase or decrease as is agreed to by the Builder thereof and the Railroad. The term "Purchase Price" as used herein shall mean the base price or prices as so increased or decreased, including without limitation any increase pursuant to the presentation of a supplemental invoice as hereinafter provided, plus off-line freight charges, if any.

If the aggregate Purchase Price shall exceed $59,172,500, the Builder or Builders (and any assignee of the Builders) and the Railroad, unless waived by the Railroad, will enter into an agreement excluding from this Agreement such unit or units of Equipment then proposed to be settled for and specified by the Railroad, as will, after giving effect to such exclusion, reduce the aggregate Purchase Price of the Equipment under this Agreement to not more than $59,172,500, and the Railroad agrees to purchase any such unit or units so excluded from this Agreement from the Builder thereof for cash on the date such unit or units would otherwise have been settled for under this Agreement either directly, or by means of a conditional sale, equipment trust or other appropriate method of financing as the Railroad

shall determine and shall be reasonably acceptable to such Builder.

For the purpose of making settlement, the Equipment of each Builder shall be divided into such number of groups of units of the Equipment, delivered to and accepted by the Railroad (each such group being hereinafter called a "Group"), as such Builder and the Railroad may agree to.

The Railroad hereby acknowledges itself to be indebted to the Vendor in the amount of, and hereby promises to pay in cash to the Vendor at such place as the Vendor may designate, the Purchase Price of the Equipment, as follows:

(a) on each Closing Date (as hereinafter defined) an amount equal to (i) 20% of the Purchase Price of all units of the Equipment for which settlement is then being made, as stated in the invoice or invoices presented (including the supplemental invoice or invoices hereinafter provided for) in respect of such Closing Date (said invoiced prices being herein called the "Invoiced Purchase Prices") plus (ii) the amount, if any, by which the Invoiced Purchase Price of all units of the Equipment for which settlement has theretofore or is then being made, exceeds $47,338,000; and

(b) in 15 consecutive equal annual installments, as hereinafter provided, an amount equal to the aggregate of the Invoiced Purchase Prices for all the Equipment less the amount paid or payable with respect thereto pursuant to subparagraph (a) of this paragraph (the aggregate of said installments being hereinafter called the "CSA Indebtedness").

In the event that on any Closing Date the final Purchase Price of any Group has not been determined, the invoice presented may be for an estimated Purchase Price (as evidenced by the words "Interim Invoice" written on the face of such invoice), subject to adjustment upon determination of the final Purchase Price, and a supplemental invoice may be presented by the appropriate Builder at least 10 days prior to any subsequent Closing Date for settlement on such subsequent Closing Date for any increase in the Purchase Price. Any prior preliminary invoice or invoices presented by such Builder shall be in an amount not in excess of the final Purchase Price of such Group. One final supplemental invoice (the "Final Supplemental Invoice") may be presented

by a Builder after the last Closing Date on which a Certificate or Certificates of Acceptance is presented for the last Group of Equipment provided by such Builder; provided, however, that the Final Supplemental Invoice may only be presented on or prior to June 1, 1981 (the "Cut-Off Date"), and that the notation "Final Supplemental Invoice" shall appear on the face thereof.

The installments of the CSA Indebtedness payable pursuant to subparagraph (b) of the fourth paragraph of this Article 4 shall be payable annually on June 1 in each year commencing on June 1, 1981, to and including June 1, 1995, or, if any such date is not a business day, on the next succeeding business day. The unpaid portion of the CSA Indebtedness shall bear interest from the respective Closing Dates on which such indebtedness was incurred at a rate of 12-3/4% per annum from the Closing Date on which such indebtedness was incurred; provided, however, that interest on the investment of The Northern Trust Company (the "Interim Investor" as defined in the Finance Agreement) in the CSA Indebtedness incurred hereunder shall be payable for the period from the Closing Date or Dates with respect thereto until August 8, 1980, at a rate per annum equal to the rate of interest in effect from time to time during such period charged by the Interim Investor for prime commercial loans of 90-day maturities to its corporate borrowers of the highest credit rating (the "Prime Rate"), and after August 8, 1980, at the rate of 12-3/4% per annum. All such interest shall be payable, to the extent accrued, on June 1 and December 1 in each year, commencing December 1, 1980, or, if any such date is not a business day, on the next succeeding business day; provided, however, that interest payable pursuant to the proviso to the preceding sentence shall be payable on August 8, 1980.

The term "Closing Date" with respect to any Group of the Equipment shall mean such date (on or after April 8, 1980, and on or prior to the Cut-Off Date), not more than 10 business days following presentation by the Builder of the Equipment in such Group to the Railroad of the invoice and the Certificate or Certificates of Acceptance for such Group, as shall be fixed by the Railroad by written notice delivered to the Vendor at least 5 business days prior to the Closing Date designated therein; provided, however, that the aggregate of the Invoiced Purchase Prices of all Equipment settled for pursuant to this Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) on any Closing Date shall not exceed 125% of the amount then on deposit with the

Vendor pursuant to the Finance Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) under which the Vendor is acting as agent for the institutional investors therein named. The term "business days" as used herein means calendar days, excluding Saturdays, Sundays and any other day on which banking institutions in St. Louis, Missouri, or New York, New York, are authorized or obligated to remain closed.

All interest under this Agreement shall be calculated on the basis of a 360-day year of 12 30-day months.

The Railroad will pay, to the extent legally enforceable, interest at the rate of 13-3/4% per annum (or 1% per annum over the Prime Rate then in effect in the case of the Interim Investor) upon all amounts remaining unpaid after the same shall have become due and payable pursuant to the terms hereof, anything herein to the contrary notwithstanding.

All payments provided for in this Agreement shall be made in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. Except as provided in Article 8 hereof, the Railroad shall not have the privilege of prepaying any installment of its indebtedness hereunder prior to the date it becomes due.

In the event the Vendor, pursuant to Article 15 hereof, assigns the right to receive the payments herein provided to be made by the Railroad, the assignee thereof may request the Railroad to make and the Railroad shall make such payments to it at such address as shall be supplied to the Railroad by the assignee.

ARTICLE 5. Taxes. All payments to be made by the Railroad hereunder will be free of expense to the Vendor for collection or other charges and will be free of expense to the Vendor with respect to the amount of any local, state, Federal or foreign taxes (other than net income, gross receipts [except gross receipts taxes in the nature of or in lieu of sales or use taxes], excess profits and similar taxes) or license fees, assessments, charges, fines or penalties hereafter levied or imposed upon or in connection with or measured by, this Agreement or any sale, use, payment, shipment, delivery or transfer of title under the terms hereof (all such expenses, taxes, license fees, assessments, charges, fines and penalties being hereinafter called "impositions"), all of which impositions the Railroad assumes and

agrees to pay on demand. The Railroad will also pay promptly all impositions which may be imposed upon the Equipment delivered to it or for the use or operation thereof or upon the earnings arising therefrom or upon the Vendor solely by reason of its interest therein and will keep at all times all and every part of the Equipment free and clear of all impositions which might in any way affect the security interest of the Vendor or result in a lien upon any part of the Equipment; provided, however, that the Railroad shall be under no obligation to pay any impositions of any kind so long as it is contesting in good faith and by appropriate legal proceedings such impositions and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the interest or rights of the Vendor in or to the Equipment or otherwise under this Agreement. If any such impositions shall have been charged or levied against the Vendor directly and paid by the Vendor, the Railroad shall reimburse the Vendor upon presentation of an invoice therefor, and any amounts so paid by the Vendor shall be secured by and under this Agreement; provided, however, that the Railroad shall not be obligated to reimburse the Vendor for any impositions so paid unless the Vendor shall have been legally liable with respect thereto (as evidenced by an opinion of counsel for the Vendor) or unless the Railroad shall have approved the payment thereof.

ARTICLE 6. Title to the Equipment. The Vendor shall and hereby does retain title to and a security interest in the Equipment until the Railroad shall have made all its payments under this Agreement and shall have kept and performed all its agreements herein contained, notwithstanding the delivery of the Equipment to and the possession and use thereof by the Railroad as provided in this Agreement. Any and all additions to the Equipment and any and all replacements of the Equipment and of parts thereof and additions thereto shall constitute accessions to the Equipment and shall be subject to all the terms and conditions of this Agreement and included in the term "Equipment" as used in this Agreement.

Except as otherwise specifically provided in Article 8 hereof, when and only when the full indebtedness in respect of the Purchase Price of the Equipment, together with interest and all other payments as herein provided, shall have been paid by the Railroad, and all the Railroad's obligations herein contained shall have been performed by the Railroad, absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the

Railroad without further transfer or action on the part of the Vendor. However, the Vendor, if so requested by the Railroad at that time, will (a) execute a bill or bills of sale for the Equipment transferring and releasing its interest therein to the Railroad, or upon its order, free of all claims, liens, security interests and other encumbrances created or retained hereby and deliver such bill or bills of sale to the Railroad at its address referred to in Article 21 hereof, (b) execute and deliver at the same place, for filing, recording or depositing in all necessary public offices, such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the release of the security interest of the Vendor in the Equipment and (c) pay to the Railroad any money paid to the Vendor pursuant to Article 8 hereof and not theretofore applied as therein provided. The Railroad hereby waives and releases any and all rights, existing or that may be acquired, in or to the payment of any penalty, forfeit or damages for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file any certificate of payment in compliance with any law or statute requiring the filing of the same, except for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file such certificate within a reasonable time after written demand by the Railroad.

ARTICLE 7. Marking of the Equipment. The Railroad will cause each unit of the Equipment to be kept numbered with its identifying number as set forth in Schedule B hereto, or in the case of Equipment not there listed such identifying number as shall be set forth in any amendment or supplement hereto extending this Agreement to cover such Equipment, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each unit, in letters not less than one inch in height, the words "Ownership Subject to a Security Agreement Filed with the Interstate Commerce Commission", or the name of the Vendor followed by the words "Agent, Owner", or other appropriate markings approved by the Vendor with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Vendor's interest in the Equipment and its rights under this Agreement. The Railroad will not place any such unit in operation or exercise any control or dominion over the same until such markings have been made thereon and will replace promptly any such markings which may be removed, defaced or destroyed. The Railroad will not change the number of any unit of the Equipment except in accordance with

a statement of new number or numbers to be substituted therefor, which statement previously shall have been filed with the Vendor by the Railroad and filed, recorded and deposited by the Railroad in all public offices where this Agreement shall have been filed, recorded and deposited.

Except as provided in the immediately preceding paragraph, the Railroad will not allow the name of any person, association or corporation to be placed on any unit of the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Railroad may cause the Equipment to be lettered with the names or initials or other insignia of the Railroad or its affiliates.

ARTICLE 8. Casualty Occurrences; Insurance. In the event that any unit of the Equipment shall be worn out, lost, stolen, destroyed, irreparably damaged or otherwise rendered permanently unfit for use from any cause whatsoever, or taken or requisitioned by condemnation or otherwise or the Purchase Price (or any portion thereof) of any unit shall have been refunded by a Builder pursuant to such Builder's patent indemnities therefor as set forth in Item 3 of Schedule A hereto (such occurrences being hereinafter called "Casualty Occurrences"), the Railroad shall promptly and fully inform the Vendor in regard thereto (after it has knowledge of such Casualty Occurrence). When the aggregate Casualty Value (as defined herein and in the Other Agreement as defined in Item 4 of Schedule A hereto) of all units of the Equipment and all units of the railroad equipment covered by the Other Agreement having suffered a Casualty Occurrence (exclusive of units having suffered a Casualty Occurrence with respect to which a payment shall have been made to the Vendor pursuant to this Article 8 or Article 8 of the Other Agreement) hereunder shall exceed $250,000 (or such lesser amount as the Railroad may elect), the Railroad, within 30 days after it has knowledge of such event, shall promptly pay to the Vendor a sum equal to the aggregate Casualty Value of such units of the Equipment as of the date of such payment and shall file with the Vendor a certificate of an officer of the Railroad setting forth the Casualty Value of each unit of the Equipment suffering a Casualty Occurrence.

So long as no event of default shall have occurred and be continuing, any money paid to the Vendor pursuant to the preceding paragraph of this Article 8 shall be used, as the Railroad shall direct in a written instrument filed with the Vendor not less than 10 days prior to the due date of the

next annual installment of CSA Indebtedness, in whole or in part, to prepay installments of CSA Indebtedness or toward not more than 80% of the cost of a unit or units of new standard-gauge railroad equipment (other than passenger or work equipment of types other than locomotives), to replace units suffering a Casualty Occurrence and the Railroad shall pay the balance of such cost of replacement equipment, in addition to the Casualty Value payment provided above; provided, however, that the total fair value of all cabooses and locomotives which will be subject to this Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) will not exceed 6% and 59% respectively of all Equipment (and its cash equivalent) subject to this Agreement and the Other Agreement. In case any money is applied pursuant to this Article 8 to prepay indebtedness, it shall be so applied to reduce each installment of CSA Indebtedness thereafter falling due pro rata.

The Casualty Value of each unit of the Equipment (other than a replacement unit) shall be deemed to be that amount which bears the same ratio to the original Purchase Price thereof (less an amount which bears the same ratio to the aggregate of all payments made by the Railroad pursuant to subparagraph (a) of the fourth paragraph of Article 4 hereof as the original Purchase Price of such unit bears to the original aggregate Purchase Price of all the Equipment) as the unpaid CSA Indebtedness (without giving effect to any prepayments then or theretofore made pursuant to this Article 8) as of the date payment is made with respect to such Casualty Occurrence bears to the original CSA Indebtedness. The Casualty Value of each replacement unit shall be deemed to be that amount which bears the same ratio to the portion of the cost thereof paid by the Vendor as the unpaid CSA Indebtedness (without giving effect to any prepayments then or theretofore made pursuant to this Article 8) as of the date payment is made with respect to such Casualty Occurrence bears to the unpaid CSA Indebtedness (without giving effect to any such prepayments) as of the date of acquisition by the Vendor of such replacement unit.

The Railroad will cause any replacement unit or units to be marked as provided in Article 7 hereof. Any and all such replacements of Equipment shall constitute accessions to the Equipment and shall be subject to all appropriate terms and conditions of this Agreement as though part of the original Equipment delivered hereunder and shall be included in the term "Equipment" as used in this Agreement; provided, however, that nothing herein shall result in any

Builder having any liability or obligation pursuant to this Agreement with respect to any replacement unit or units not manufactured by it. Title to all such replacement units shall be free and clear of all liens and encumbrances except the liens permitted by the second paragraph of Article 12 hereof and shall be taken initially and shall remain in the name of the Vendor subject to the provisions hereof, and the Railroad shall execute, acknowledge, deliver, file, record or deposit all such documents and do any and all such acts as may be necessary to cause such replacement units to come under and be subject to this Agreement. All such replacement units shall be guaranteed and warranted in like manner as is customary at the time for similar equipment.

Whenever the Railroad shall file with the Vendor a written direction to apply amounts toward the cost of any replacement unit or units, the Railroad shall file therewith in addition to any settlement documents which may be required pursuant to the fifth paragraph of Article 15 hereof:

(1) a certificate of an appropriate officer of the Railroad certifying that such replacement unit is new standard-gauge railroad equipment (other than passenger or work equipment of types other than locomotives), has been marked as required by the provisions of this Article 8, the cost of such replacement equipment and compliance with the percentage limitations for cabooses and locomotives set forth in the second paragraph of this Article 8.

(2) an opinion of counsel for the Railroad that the Vendor has a valid and perfected security interest in such replacement unit, free and clear from all claims, liens, security interests and other encumbrances except the rights of the Railroad under this Agreement, and that such unit has come under and become subject to this Agreement and all necessary filings and recordings have been made to perfect the interests of the Vendor herein.

So long as no event of default shall have occurred and be continuing, any money paid to the Vendor pursuant to this Article 8 shall, if the Railroad shall in writing so direct, be invested, pending its application as hereinabove provided, in such of the following as may be specified in such written direction: (i) direct obligations of the United States of America or obligations for which the full faith and credit of the United States is pledged to provide for the payment of principal and interest, (ii) open market commercial paper rated A-1 by Standard & Poor's Corporation or prime-1

by NCO/Moody's Commercial Paper Division of Moody's Investors Service, Inc., or the successor of either of them, or (iii) certificates of deposit of domestic commercial banks in the United States of America having total capital and surplus in excess of $100,000,000, in each case maturing in not more than one year from the date of such investment (such investments being herein called "Investments"), but in no event shall any of such Investments be purchased at a premium. Any such obligations shall from time to time be sold and the proceeds reinvested in such Investments as the Railroad may in writing direct. Any interest received by the Vendor on any Investments shall be held by the Vendor and applied as hereinafter provided. Upon any sale or the maturity of any Investments, the proceeds thereof, plus any interest received by the Vendor thereon, up to the cost (including accrued interest) thereof, shall be held by the Vendor for application pursuant to this Article 8, and any excess shall be paid to the Railroad. If such proceeds (plus such interest) shall be less than such cost, the Railroad will promptly pay to the Vendor an amount equal to such deficiency. The Railroad will pay all expenses incurred by the Vendor in connection with the purchase and sale of Investments.

If any unit of the Equipment is removed for repairs other than running repairs or becomes unsuitable or not necessary for continued use by the Railroad in the Railroad's business or operations, such occurrence shall, upon the election of the Railroad evidenced by written notice to the Vendor, constitute a Casualty Occurrence subject to the provisions of this Article 8; provided, however, that the Railroad shall direct any money paid to the Vendor in respect thereof to be applied only toward not more than 80% of the cost of replacement equipment and not to prepay any installment of CSA Indebtedness.

If one or more events of default shall have occurred and be continuing, all money held by the Vendor pursuant to this Article 8 (including, for this purpose, Investments) shall be applied by the Vendor as if such money were money received upon the sale of Equipment pursuant to Article 17 hereof.

In order to facilitate the sale or other disposition of any Equipment suffering a Casualty Occurrence, the Vendor shall, upon request of the Railroad, after payment by the Railroad of a sum equal to the Casualty Value of such Equipment, execute and deliver to the Railroad or the Railroad's vendee, assignee or nominee, a bill of sale (without warranties) for such Equipment, and such other documents as

may be required to release such Equipment from the terms and scope of this Agreement, in such form as may be reasonably requested by the Railroad.

The Railroad will at all times prior to the payment of the full indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon and all other payments required hereby, at its own expense, cause to be carried and maintained insurance in respect of the Equipment at the time subject hereto in amounts and against risks customarily insured against by railroad companies of similar financial condition and having similar operations on similar equipment, and in any event in amounts and against risks comparable to those insured against by the Railroad on similar equipment owned by it.

ARTICLE 9. Maintenance; Compliance with Laws and Rules. The Railroad will at all times maintain the Equipment or cause the Equipment to be maintained in good order and repair at its own expense, normal wear and tear excepted, and eligible (in the case of Equipment other than locomotives and cabooses) for interchange in accordance with the interchange rules of the Association of American Railroads.

During the term of this Agreement, the Railroad will at all times comply in all respects with all laws of the jurisdictions in which its operations involving the Equipment may extend, with the interchange rules of the Association of American Railroads and with all lawful rules of the Department of Transportation, Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Equipment, to the extent that such laws and rules affect the title, operation or use of the Equipment, and in the event that such laws or rules require any alteration or replacement of or addition to any part on any unit of the Equipment, the Railroad will conform therewith, at its own expense; provided, however, that the Railroad may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor under this Agreement.

ARTICLE 10. Reports and Inspections. On or before April 1 in each year, commencing with the year 1981, the Railroad shall furnish to the Vendor an accurate statement signed by an officer of the Railroad (a) setting forth as at the preceding December 31 the amount, description and numbers of all units of the Equipment that have suffered a Casualty Occurrence during the preceding 12 months (or since the date of this Agreement in the case of the first such statement) or

that have been withdrawn from use pending repairs (other than running repairs) and such other information regarding the condition and state of repair of the Equipment as the Vendor may reasonably request and (b) stating that, in the case of all Equipment repaired or repainted during the period covered by such statement, the numbers and markings required by Article 7 hereof have been preserved or replaced. The Vendor shall have the right, by its agents, to inspect the Equipment and the Railroad's records with respect thereto at such reasonable times as the Vendor may reasonably request during the term of this Agreement.

ARTICLE 11. Possession and Use. The Railroad, so long as an event of default shall not have occurred under this Agreement and be continuing, shall be entitled to the possession of the units of Equipment and the use thereof upon the lines of railroad owned or operated by it either alone or jointly with others and whether under lease or otherwise, or upon the lines of railroad owned or operated by any railroad company controlled by, or under common control with, the Railroad, or over which it has trackage rights, or upon connecting and other carriers in the usual interchange of traffic or pursuant to run-through agreements, from and after delivery of such units of Equipment by the Builder of such units to the Railroad, but only upon and subject to all the terms and conditions of this Agreement; provided, however, that the Railroad shall not be entitled to assign the Equipment for service involving the regular operation and maintenance thereof outside of the United States of America except in normal interchange.

ARTICLE 12. Prohibition Against Liens. The Railroad will pay or discharge any and all sums claimed by any party from, through or under the Railroad or its successors or assigns which, if unpaid, might become a lien, charge or security interest on or in the Equipment, or any unit thereof, equal or superior to the Vendor's interest therein; provided, however, that the Railroad shall be under no obligation to pay or discharge any such claim so long as it is contesting in good faith and by appropriate legal proceedings such claim and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor in or to the Equipment or otherwise under this Agreement. Any amounts paid by the Vendor in discharge of liens, charges or security interests upon the Equipment shall be secured by and under this Agreement.

This covenant will not be deemed breached by reason of liens for taxes, assessments or governmental charges or levies, in each case not due and delinquent, or undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or other like liens arising in the ordinary course of business and, in each case, not delinquent.

ARTICLE 13. Railroad's Indemnities. The Railroad agrees to indemnify, protect and hold harmless the Vendor from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including counsel fees, arising out of retention by the Vendor of title to and a security interest in the Equipment, the use and operation thereof by the Railroad during the period when title remains in the Vendor or the transfer of title to the Equipment by the Vendor pursuant to any of the provisions of this Agreement. This covenant of indemnity shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

ARTICLE 14. Patent Indemnities; Each Builder's Warranty of Material and Workmanship. Each Builder's indemnities with respect to patent infringement, its warranty of material and workmanship and the limitations of its liability with regard thereto are set forth in Schedule A hereto.

ARTICLE 15. Assignments. The Railroad will not sell, assign, transfer or otherwise dispose of its rights under this Agreement or, except as provided in Article 11 hereof, transfer the right to possession of any unit of the Equipment without first obtaining the written consent of the Vendor, which consent will not be unreasonably withheld. A sale, assignment, transfer or disposition to a solvent, Class 1 railroad company organized under the laws of the United States of America or any of the states thereof which shall acquire all or substantially all the lines of railroad of the Railroad, and which, by execution of an appropriate instrument satisfactory to the Vendor, shall assume and agree to perform each of, and all, the obligations and covenants of the Railroad under this Agreement, shall not be deemed a breach of this covenant and thereupon, the successor railroad company shall be for all purposes the "Railroad" hereunder.

All or any of the rights, benefits and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Railroad, may be assigned by the Vendor and reassigned by any assignee at any time or from time to time. No such assignment shall subject any assignee to, or relieve any Builder from, any of the obligations of such Builder to construct and deliver the Equipment in accordance with this Agreement or to respond to its warranties and indemnities contained or

referred to in Article 14 hereof, or relieve the Railroad of any of its obligations to such Builder under Articles 2, 3, 4, 5, 13 and 14 hereof, Schedule A hereto and this Article 15 or of any other obligation which, according to its terms or context, is intended to survive an assignment.

Upon any such assignment either the assignor or the assignee shall give written notice to the Railroad, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all the assignor's right, title and interest in and to the Equipment and this Agreement, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Railroad of the notification of any such assignment, all payments thereafter to be made by the Railroad under this Agreement to the Vendor shall, to the extent so assigned, be made to the assignee in such manner as it may direct.

The Railroad recognizes that it is the custom of railroad equipment manufacturers to assign conditional sale agreements and understands that the assignment of this Agreement, or of some of or all the rights of the Vendor hereunder, is contemplated. The Railroad expressly represents, for the purpose of assurance to any person, firm or corporation considering the acquisition of this Agreement or of all or any of the rights of the Vendor hereunder and for the purposes of inducing such acquisition, that in the event of such assignment by the Vendor as hereinbefore provided, the rights of such assignee to the entire unpaid indebtedness in respect of the Purchase Price or such part thereof as may be assigned, together with interest thereon, as well as any other rights hereunder which may be so assigned, shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever arising out of any breach of any obligation of a Builder with respect to the Equipment of such Builder or the manufacture, construction, delivery or warranty thereof, or with respect to any indemnity herein contained, nor subject to any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by a Builder. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Railroad against and only against the respective Builders.

The Railroad will (a) in connection with each settlement for the Equipment subsequent to such assignment, deliver to the assignee, at least five business days prior to the Clos-

ing Date for the Group fixed in the notice thereof given by the Railroad, all documents required by the terms of such assignment to be delivered to such assignee in connection with such settlement, in such number of counterparts or copies as may reasonably be requested, and (b) furnish to such assignee such number of counterparts of any other certificate or document required by the Vendor as may reasonably be requested.

If this Agreement shall have been assigned by the Builders and the assignee shall not make payment to a Builder with respect to units of the Equipment of such Builder as provided in the instrument making such assignment, such Builder will promptly notify the Railroad of such event and, if such amount shall not have been previously paid by such assignee, the Railroad will, not later than 60 days after the date such payment was due, pay or cause to be paid to such Builder the aggregate unpaid Purchase Price of such units of Equipment, together with interest from the day such payment was due to the date of payment by the Railroad at the highest prime rate of interest charged by any of the four New York City banks having the largest total assets in effect on the date such payment was due.

ARTICLE 16. Defaults. In the event that any one or more of the following events of default shall occur and be continuing, to wit:

(a) the Railroad shall fail to pay in full any indebtedness in respect of the Purchase Price of the Equipment or any other sum payable by the Railroad as provided in this Agreement within five days after payment thereof shall be due hereunder; or

(b) the Railroad shall, for more than 15 days after the Vendor shall have demanded in writing performance thereof, fail or refuse to comply with any covenant, agreement, term or provision of this Agreement, or of any agreement entered into concurrently herewith relating to the financing of the Equipment on its part to be kept or performed or to make provision satisfactory to the Vendor for such compliance; or

(c) a petition for reorganization under the Federal Bankruptcy Act or under any other provision of Title 11 of the United States Code, as now constituted or hereafter amended, shall be filed by or against the Railroad and, unless such petition shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only

so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been (and shall not continue to be) duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed in such proceedings in such manner that such obligations shall have the same status as expenses of administration and obligations incurred by such trustee or trustees, within 60 days after the filing of such petition, or in accordance with the provisions of 11 U.S.C. § 1168; or

(d) any proceeding shall be commenced by or against the Railroad for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustment of the obligations hereunder), and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been (and shall not continue to be) duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed for the Railroad or for its property in connection with any such proceedings in such manner that such obligations have the same status as expenses of administration and obligations incurred by such trustee or trustees or receiver or receivers, within 60 days after such proceedings shall have been commenced, or in accordance with the provisions of 11 U.S.C. § 1168; or

(e) the Railroad shall make or suffer any unauthorized assignment or transfer of this Agreement or any interest herein or any unauthorized transfer of the right to possession of any unit of the Equipment; or

(f) an event of default shall occur under the Other Agreement (defined in Item 4 of Schedule A hereto);

then at any time after the occurrence of such an event of default the Vendor may, upon written notice to the Railroad and upon compliance with any mandatory legal requirements then in force and applicable to such action by the Vendor,

declare (hereinafter called a "Declaration of Default") the entire indebtedness in respect of the Purchase Price of the Equipment, together with the interest thereon then accrued and unpaid, immediately due and payable, without further demand, and thereafter the aggregate of the unpaid balance of such indebtedness and interest shall bear interest from the date of such Declaration of Default at the rate per annum specified in Article 4 hereof as being applicable to amounts remaining unpaid after becoming due and payable, to the extent legally enforceable. The Vendor shall thereupon be entitled to recover judgment for the entire unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment so payable, with interest as aforesaid, and to collect such judgment out of any property of the Railroad wherever situated. The Railroad shall promptly notify the Vendor in writing of any event which has come to its attention which constitutes, or which with the giving of notice and/or lapse of time could constitute, an event of default under this Agreement and of what action, if any, the Railroad has taken or proposes to take to remedy such event of default or event.

The Vendor may at its election waive any such event of default and its consequences and rescind and annul any Declaration of Default by notice to the Railroad in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such event of default had occurred and no Declaration of Default had been made. Notwithstanding the provisions of this paragraph, it is expressly understood and agreed by the Railroad that time is of the essence of this Agreement and that no such waiver, rescission or annulment shall extend to or affect any other or subsequent default or impair any rights or remedies consequent thereon.

ARTICLE 17. Remedies. At any time during the continuance of a Declaration of Default, the Vendor may, subject to compliance with any mandatory legal requirements then in force and applicable to the action to be taken by the Vendor, take or cause to be taken by its agent or agents immediate possession of the Equipment, or one or more of the units thereof, without liability to return to the Railroad any sums theretofore paid and free from all claims whatsoever, except as hereinafter in this Article 17 expressly provided, and may remove the same from possession and use of the Railroad or

any other person and for such purpose may enter upon the Railroad's premises or any other premises where the Equipment may be located (without judicial process if this can be done without breach of the peace) and may use and employ in connection with such removal any supplies, services and aids and any available trackage and other facilities or means of the Railroad.

In case the Vendor shall demand possession of the Equipment pursuant to this Agreement and shall reasonably designate a point or points upon the premises of the Railroad for the delivery of the Equipment to the Vendor, the Railroad shall, at its own expense, forthwith and in the usual manner (including, but not by way of limitation, giving prompt telegraphic and written notice to the Association of American Railroads and all railroads to which any part of the Equipment has been interchanged to return the Equipment so interchanged), cause (a) the Equipment to be moved to such point or points on its lines as shall be designated by the Vendor and shall there deliver the Equipment or cause it to be delivered to the Vendor and (b) the Equipment to be moved to such interchange point or points of the Railroad as shall be designated by the Vendor upon any sale, lease or other disposal of all or any part of the Equipment by the Vendor. At the option of the Vendor, the Vendor may keep the Equipment on any of the lines or premises of the Railroad until the Vendor shall have leased, sold or otherwise disposed of the same, and for such purpose the Railroad agrees to furnish, without charge for rent, storage or insurance (which the Railroad agrees to maintain as herein provided), the necessary facilities at any point or points selected by the Vendor reasonably convenient to the Railroad, to provide proper maintenance for the Equipment during such storage and to permit inspection of the Equipment by the Vendor, the Vendor's representatives and prospective purchasers and users. This agreement to deliver the Equipment and furnish facilities as hereinbefore provided is of the essence of the agreement between the parties, and, upon application to any court of equity having jurisdiction in the premises, the Vendor shall be entitled to a decree against the Railroad requiring specific performance hereof. The Railroad hereby expressly waives any and all claims against the Vendor and its agent or agents for damages of whatever nature in connection with any retaking of any unit of the Equipment in any reasonable manner.

At any time during the continuance of a Declaration of Default, the Vendor (after retaking possession of the

Equipment as hereinbefore in this Article 17 provided) may at its election and upon such notice as is hereinafter set forth retain the Equipment in satisfaction of the entire indebtedness in respect of the Purchase Price of the Equipment and make such disposition thereof as the Vendor shall deem fit. Written notice of the Vendor's election to retain the Equipment shall be given to the Railroad by telegram or registered mail, addressed as provided in Article 21 hereof, and to any other persons to whom the law may require notice, within 30 days after such Declaration of Default. In the event that the Vendor should elect to retain the Equipment and no objection is made thereto within the 30-day period described in the second proviso below, all the Railroad's rights in the Equipment shall thereupon terminate and all payments made by the Railroad may be retained by the Vendor as compensation for the use of the Equipment by the Railroad; provided, however, that if the Railroad, before the expiration of the 30-day period described in the proviso below, should pay or cause to be paid to the Vendor the total unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement as well as expenses of the Vendor in retaking possession of, removing, maintaining and storing the Equipment and the Vendor's reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad; provided, further, that if the Railroad or any other person notified under the terms of this paragraph objects in writing to the Vendor within 30 days from the receipt of notice of the Vendor's election to retain the Equipment, then the Vendor may not so retain the Equipment, but shall sell, lease or otherwise dispose of it or continue to hold it pending sale, lease or other disposition as hereinafter provided or as may otherwise be permitted by law. If the Vendor shall have given no notice to retain as hereinabove provided or notice of intention to dispose of the Equipment in any other manner, it shall be deemed to have elected to sell the Equipment in accordance with the provisions of this Article 17.

At any time during the continuance of a Declaration of Default, the Vendor, with or without retaking possession thereof, at its election and upon reasonable notice to the Railroad and to any other persons to whom the law may require notice of the time and place, may sell the Equipment, or any unit thereof, free from any and all claims of the Railroad or any other party claiming from, through or under the Railroad,

at law or in equity, at public or private sale and with or without advertisement as the Vendor may determine; provided, however, that if, prior to such sale and prior to the making of a contract for such sale, the Railroad should tender full payment of the total unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement as well as expenses of the Vendor in retaking possession of, removing, storing, maintaining, holding and preparing the Equipment for, and otherwise arranging for, the sale and the Vendor's reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad. The proceeds of such sale, less the attorneys' fees and any other expenses incurred by the Vendor in retaking possession of, removing, storing, maintaining, holding, preparing for sale and selling the Equipment, shall be credited on the amount due to the Vendor under the provisions of this Agreement.

Any sale hereunder may be held or conducted at such place or places and at such time or times as the Vendor may specify, in one lot and as an entirety or in separate lots and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Vendor may determine. The Vendor or the Railroad may bid for and become the purchaser of the Equipment, or any unit thereof, so offered for sale. The Railroad shall be given written notice of such sale not less than 10 days prior thereto, by telegram or registered mail addressed to the Railroad as provided in Article 21 hereof. If such sale shall be a private sale (which shall be deemed to mean only a sale where an advertisement for bids has not been published in a newspaper of general circulation or a sale where less than 40 railroads have been solicited in writing to submit bids), it shall be subject to the right of the Railroad to purchase or provide a purchaser, within 10 days after notice of the proposed sale price, at the same price offered by the intending purchaser or a better price. In the event that the Vendor shall be the purchaser of the Equipment, it shall not be accountable to the Railroad (except to the extent of surplus money received as hereinafter provided in this Article 17), and in payment of the purchase price therefor the Vendor shall be entitled to have credited on account thereof all or any part of the sums due to the Vendor from the Railroad hereunder.

Each and every power and remedy hereby specifically given to the Vendor shall be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Vendor. All such powers and remedies shall be cumulative, and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Vendor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder shall impair any such power or remedy or shall be construed to be a waiver of any default or an acquiescence therein. Any extension of time for payment hereunder or other indulgence duly granted to the Railroad shall not otherwise alter or affect the Vendor's rights or the Railroad's obligations hereunder. The Vendor's acceptance of any payment after it shall have become due hereunder shall not be deemed to alter or affect the Railroad's obligations or the Vendor's rights hereunder with respect to any subsequent payments or default therein.

If, after applying all sums of money realized by the Vendor under the remedies herein provided, there shall remain any amount due to it under the provisions of this Agreement, the Railroad shall pay the amount of such deficiency to the Vendor upon demand, together with interest from the date of such demand to the date of payment by the Railroad at the rate per annum set forth in Article 4 hereof applicable to amounts remaining unpaid after becoming due and payable. If the Railroad shall fail to pay such deficiency, the Vendor may bring suit therefor and shall be entitled to recover a judgment therefor against the Railroad. If, after applying as aforesaid all sums realized by the Vendor, there shall remain a surplus in the possession of the Vendor, such surplus shall be paid to the Railroad.

The Railroad will pay all reasonable expenses, including attorneys' fees, incurred by the Vendor in enforcing its remedies under the terms of this Agreement. In the event that the Vendor shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Vendor may recover reasonable expenses, including attorneys' fees, and the amount thereof shall be included in such judgment.

The foregoing provisions of this Article 17 are subject in all respects to all mandatory legal requirements at the time in force and applicable thereto.

ARTICLE 18. Applicable State Laws. Any provision of this Agreement prohibited by any applicable law of any jurisdiction shall as to such jurisdiction be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby waived by the Railroad to the full extent permitted by law, it being the intention of the parties hereto that this Agreement shall be deemed to be a conditional sale and enforced as such.

Except as otherwise provided in this Agreement, the Railroad, to the full extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of or to sell or lease the Equipment or any unit thereof, and any other requirements as to the time, place and terms of the sale or lease thereof, any other requirements with respect to the enforcement of the Vendor's rights under this Agreement and any and all rights of redemption.

ARTICLE 19. Recording. The Railroad will cause this Agreement, any assignments hereof and any amendments or supplements hereto or thereto to be filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303; and the Railroad will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, deposit and record any and all further instruments required by law or reasonably requested by the Vendor for the purpose of proper protection, to the satisfaction of counsel for the Vendor, of its interest in the Equipment and its rights under this Agreement or for the purpose of carrying out the intention of this Agreement; and the Railroad will promptly furnish to the Vendor certificates or other evidence of such filing, registering, depositing and recording satisfactory to the Vendor.

ARTICLE 20. Payment of Expenses. The Railroad will pay all reasonable costs and expenses (other than the fees and expenses of counsel for the Builders) incident to this Agreement and the first assignment of this Agreement (including the fees and expenses of an agent, if the first assignee is an agent), and any instrument supplemental or related hereto or thereto, including all fees and expenses of Messrs. Cravath, Swaine & Moore, special counsel for the first assignee of this Agreement and for any party acquiring interests in such first assignment, and all reasonable costs

and expenses in connection with the transfer by any party of interests acquired in such first assignment, but excluding all fees and expenses of any other counsel for such parties.

ARTICLE 21. Notice. Any notice hereunder to any of the parties designated below shall be deemed to be properly served if delivered or mailed to it at its chief place of business at the following specified addresses:

(a) to the Railroad, at 210 North 13th Street, St. Louis, Missouri 63103, Attention of C. J. Maurer, Treasurer;

(b) to a Builder, at its address specified in Item 1 of Schedule A hereto; and

(c) to any assignee of the Vendor or of the Railroad, at such address as may have been furnished in writing to each of the other parties hereto by such assignee;

or at such other address as may have been furnished in writing by such party to the other parties to this Agreement.

ARTICLE 22. Article Headings; Effect and Modification of Agreement. All article headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

This Agreement, including the Schedules hereto, exclusively states the rights of the Vendor and the Railroad with respect to the Equipment and supersedes all other agreements, oral or written, with respect to the Equipment. No variation or modification of this Agreement and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Vendor and the Railroad.

ARTICLE 23. Law Governing. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the State of Missouri; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303 and such additional rights arising out of the filing, recording or deposit hereof, if any, and of any assignment hereof as shall be conferred by the laws of the several jurisdictions in which this Agreement

or any assignment hereof shall be filed, recorded or deposited, or in which any unit of the Equipment shall be located, and any rights arising out of the marking of the units of Equipment as provided in Article 7 hereof.

ARTICLE 24. Execution. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart. It shall not be necessary that any counterpart be signed by all the parties. Each Builder shall be bound hereunder notwithstanding the failure of any other Builder to execute and deliver this Agreement or to perform its obligations hereunder. Although this Agreement is dated, for convenience, as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by their officers or other persons, thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, all as of the date first above written.

MISSOURI PACIFIC RAILROAD COMPANY,

by

M. M. Hennelley
Vice President

[Corporate Seal]

Attest:

W. J. Herold
Assistant Secretary

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

by

P. K. Hoglund
Vice President

[Corporate Seal]

Attest:

W. J. Scott
Assistant Secretary

GENERAL ELECTRIC COMPANY,

by M. S. Richardson
General Manager-Locomotive Operations

[Corporate Seal]

Attest:

J. T. Hughes
Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by R. K. Smith
Vice President

[Corporate Seal]

Attest:

M. Hemphill, Jr.
Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by Walter A. Dahl
Vice President

[Corporate Seal]

Attest:

R. W. Polster
~~Assistant~~ Secretary

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this 11th day of April 1980, before me personally appeared M. M. Hennelley , to me personally known, who, being by me duly sworn, says that he is a Vice President of MISSOURI PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Joann Sanders
Notary Public

[Notarial Seal]

My Commission expires
9/10/82

Joann Sanders
Notary Public, State of Missiouri
My Commission Expires Sept. 10, 1982
City of St. Louis

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 8th day of April 1980, before me personally appeared P. K. Hoglund , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

T. K. Piorecki
Notary Public

[Notarial Seal]

My Commission expires

September 18, 1983

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this 9th day of April 1980, before me personally appeared M. S. Richardson , to me personally known, who, being by me duly sworn, says that he is a General Manage. Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

Judy Crandall
Notary Public
Judy Crandall, Notary Public
Lawrence Park Twp., Erie County
Pennsylvania
My Commission Expires Jan. 16, 1984

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this 10thday of April 1980, before me personally appeared R. K. Smith , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

Evelyn S. Weeks
Notary Public
My Commission Expires
City of Bethlehem
Lehigh County
October 13, 1982

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this 14thday of April 1980, before me personally appeared W. A. Dahl , to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

L. W. Moffett
Notary Public

My Commission expires

Oct. 14, 1982

L.W. Moffett, Notary Public
City of Washington, District of Columbia
My Commission Expires October 14, 1982

SCHEDULE A

to

Conditional Sale Agreement
Dated as of March 1, 1980

Item 1: (a) General Motors Corporation (Electro-Motive Division), a Delaware corporation La Grange, Illinois 60525.

(b) General Electric Company, a New York corporation, 2901 East Lake Road, Erie Pennsylvania 16531.

(c) Bethlehem Steel Corporation, a Delaware corporation, Bethlehem, Pennsylvania 18016, attention of Manager of Railroad Products Sales.

(d) Fruit Growers Express Company, a Delaware corporation, 1101 Vermont Avenue, N.W., Washington, D.C. 20005, attention of the President.

Item 2: [Warranty of Materials and Workmanship] (a) General Motors Corporation (Electro-Motive Division) ("GM") warrants that its Equipment is of the kind and quality described in, or will be built in accordance with, the Specifications therefor referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and is suitable for the ordinary purposes for which such Equipment is used and warrants each unit of its Equipment to be free from defects in material and workmanship which may develop under normal use and service within two years from date of delivery of such unit or before such unit has been operated 250,000 miles, whichever event shall first occur. GM agrees to correct such defects, which examination shall disclose to its satisfaction to be defective, by repair or replacement F.O.B. factory and such correction shall constitute fulfillment of its obligation with respect to such defect under this warranty.

GM warrants specialties not of its own specification or design to the same extent that the suppliers of such specialties warrant such items to GM.

THERE ARE NO WARRANTIES WITH RESPECT TO MATE-

RIAL AND WORKMANSHIP, EXPRESSED OR IMPLIED, MADE BY GM EXCEPT THE WARRANTIES SET OUT ABOVE.

GM further agrees with the railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of the Equipment as provided in said Article 3 shall be deemed a waiver or modification by the Railroad of any of its rights under this Item 2(a).

(b) General Electric Company ("GE") warrants to the Railroad that each unit of Equipment manufactured by it hereunder will be free from defects in material, workmanship and title under normal use and service, and will be of the kind and quality designated or described in the Specifications referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement"). The foregoing warranty is exclusive and in lieu of all other warranties, whether written, oral, implied or statutory (except as to title). NO WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR PURPOSE SHALL APPLY. If it appears within two years from the date of shipment by GE, or within 250,000 miles of operation, whichever event shall first occur, that the Equipment delivered by GE under the Agreement does not meet the warranties specified above, and the Railroad notifies GE promptly, GE, after verification as to condition and usage, shall correct any defect including nonconformance with the Specifications, at its option, either by repairing any defective part or parts made available to GE, or by making available at GE's plant or warehouse a repaired or replacement part. If requested by GE, the Railroad will ship the defective part or parts, with shipping charges prepaid, to the plant or warehouse designated by GE. The foregoing shall constitute the sole remedy of the Railroad and the sole liability of GE in respect of the foregoing.

The liability of GE to the Railroad hereunder (except as to title) arising out of the supplying of any unit of its Equipment or its use, whether on warranty, contract or negligence, shall not in any case exceed the cost of correcting defects in its Equipment as herein provided, and upon the expira-

tion of the warranty period specified above, all such liability shall terminate. GE shall have no liability for any unit of its Equipment or part thereof which becomes defective by reason of improper storage or application, misuse, negligence, accident or improper operation, maintenance, repairs or alterations on the part of the Railroad, or any third party other than GE. In no event, whether as a result of breach of contract, warranty, tort (including negligence) or otherwise, shall GE or its suppliers be liable for any special, consequential, incidental or penal damages including, but not limited to, loss of profits or revenues, loss of the use of its Equipment or any associated equipment, damage to the associated equipment, cost of capital, cost of substitute products, facilities, services or replacements, downtime costs or claims of customers of the Railroad for such damages.

It is understood that GE has the right to make any changes in design and add improvements to equipment at any time without incurring any obligations to install, at GE's expense, the same on other equipment sold by GE.

THERE ARE NO WARRANTIES WITH RESPECT TO MATERIAL AND WORKMANSHIP, EXPRESSED OR IMPLIED, MADE BY GE EXCEPT THE WARRANTIES SET OUT ABOVE.

(c) Bethlehem Steel Corporation ("Bethlehem") warrants that its Equipment will be built in accordance with the Specifications and the standards and requirements set forth in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and warrants its Equipment will be free from defects in material (except as to specialties incorporated therein specified or supplied by the Railroad and not manufactured by Bethlehem) and workmanship under normal use and service, Bethlehem's obligation under this item 2(c) being limited to making good at its plant any part or parts of any unit of its Equipment which shall, within one year after the delivery of such unit to the Railroad, be returned to Bethlehem with transportation charges prepaid and which Bethlehem's examination shall disclose to its satisfaction to have been thus

defective.

The foregoing warranty of Bethlehem is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose, and Bethlehem neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment, except for the patent indemnification included in Item 3 of this Schedule A to the Agreement as aforesaid. It is further understood that in no event shall Bethlehem be liable for indirect or consequential damages of any kind.

Bethlehem further agrees with the Railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of its Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 2(c).

(d) Fruit Growers Express Company ("Fruit Growers") warrants that its Equiment will be built in accordance with the Specifications and the standards and requirements referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and warrants its Equipment will be free from defects in material (except as to specialties incorporated therein and workmanship with respect thereto specified by the Railroad and not manufactured by Fruit Growers) and workmanship under normal use and service. Fruit Growers' liability under this Item 3(d) is limited to repair or replacement at its plant of any part or parts of any unit of its Equipment which shall, within one year after the delivery of such unit of its Equipment to the Railroad (or, in the case of patent defects, within 10 days after delivery), be returned to Fruit Growers with transportation charges prepaid and which examination by Fruit Growers shall disclose to its satisfaction to have been thus defective. Any unit of its Equipment repaired, replaced or altered outside of Fruit Growers' plant, the repair, replacement or alteration of which in Fruit Growers' judgment has adversely affected in any way the strength

and performance of such unit of its Equipment, is removed from this warranty. In no event shall Fruit Growers be liable to anyone for any incidental, special or consequential damages of any kind. The foregoing waranty is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability of fitness for a particular purpose, and Fruit Growers neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment, except for the patent indemnification included in Item 3 of this Schedule A to the Agreement.

Fruit Growers further agrees with the Railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of its Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 3(d).

Item 3: [Patent Indemnities] GM, GE, Bethlehem and Fruit Growers each severally agrees as follows:

Except in cases of articles or materials specified by the Railroad and not manufactured by such Builder and in cases of designs, systems, processes, formulae or combinations specified by the Railroad and not developed or purported to be developed by such Builder, each Builder agrees to indemnify, protect and hold harmless the Railroad from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Railroad, its assigns or the users of the Equipment of such Builder because of the use in or about the construction or operation of any of such Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Railroad likewise will indemnify, protect and hold harmless the Vendor from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against

the Vendor because of the use in or about the construction or operation of any of the Equipment of any article or material specified by the Railroad and not manufactured by the Builder of such Equipment or of any design, system, process, formula or combination specified by the Railroad and not developed or purported to be developed by such Builder which infringes or is claimed to infringe on any patent or other rights. Each Builder agrees to and hereby does, to the extent legally possible without impairing any claim, right or cause of action hereinafter referred to, assign, set over and deliver to the Railroad every claim, right and cause of action which such Builder has or hereafter shall have against the seller or sellers of any designs, systems, processes, formulae, combination, articles or materials specified by the Railroad and purchased or otherwise acquired by such Builder for use in or about the construction or operation of any of the Equipment of such Builder on the ground that any such design, system, process, formula, combination, article or material or operation thereof infringes or is claimed to infringe on any patent or other right. Each Builder further agrees to execute and deliver to the Railroad or the users of the Equipment of such Builder all and every such further assurance as may be reasonably requested by the Railroad more fully to effectuate the assignment and delivery of every such claim, right and cause of action. Each Builder will give notice to the Railroad of any claim known to such Builder from which liability may be charged against the Railroad hereunder and the Railroad will give notice to such Builder of any claim known to the Railroad from which liability may be charged against the Builder hereunder. Such covenants of indemnity shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

Item 4: The Construction and Conditional Sale Agreement dated as of March 1, 1980, between the Railroad and the Agent (the "Other Agreement").

SCHEDULE B

Builder	Type	AAR Mechanical Designation	Builder's Specifications	Builder's Plant	Quantity	Unit Base Price	Total Base Price	Road Numbers (Inclusive)	Estimated Time of Delivery at Builder's Plant
General Motors Corporation (Electro-Motive Division)	SD-40-2 3,000 h.p. diesel electric loco-motives	CC	8087	McCook, Illinois	10	$698,237	$6,982,730	MP 3312-3321	April 1980
General Motors Corporation (Electro-Motive Division)	SD-40-2C 3,000 h.p. diesel electric loco-motives	CC	8087	McCook, Illinois	20	743,423	14,868,460	MP 6054-6073	April 1980
General Motors Corporation (Electro-Motive Division)	GP-38-2 2,000 h.p. diesel electric loco-motives	BB	8090	McCook, Illinois	5	582,233	2,911,165	MP 2198-2202	July 1980
General Electric Company	B-23-7 2,250 h.p. diesel electric loco-motives	BB	3530-D	Erie, Pa.	20	589,514	11,790,280	MP 4650-4669	April-June 1980

SCHEDULE B (Cont'd)

Builder	Type	AAR Mechanical Designation	Builder's Specifications	Builder's Plant	Quantity	Unit Base Price	Total Base Price	Road Numbers (Inclusive)	Estimated Time of Delivery at Builder's Plant
Bethlehem Steel Corporation	100-ton Open-top quad hopper cars	HT	DF 3400-520	Johns-town, Pa.	500	$41,109	$20,554,500	MP 582500-582999	May-July 1980
Fruit Growers Express Company	100-ton box cars	XP	S-467	Alexandria, Va.	28	76,400	2,139,200	MP 269431-269458	July 1980
					Total		$59,246,335		

EXHIBIT B

AGREEMENT AND ASSIGNMENT, dated as of March 1, 1980, between MERCANTILE TRUST COMPANY, N.A., acting as Agent under a Finance Agreement dated as of the date hereof (the "Finance Agreement") (said Agent, so acting, being hereinafter called the "Assignee"), and each of GENERAL MOTORS CORPORATION (Electro-Motive Division), GENERAL ELECTRIC COMPANY, BETHLEHEM STEEL CORPORATION and FRUIT GROWERS EXPRESS COMPANY (hereinafter called collectively the "Builders" or severally the "Builder").

The Builders and Missouri Pacific Railroad Company (the "Railroad") have entered into a Conditional Sale Agreement dated as of the date hereof (the "CSA") covering the construction, sale and delivery, on the conditions therein set forth, by the Builders, severally, and the purchase by the Railroad of the railroad equipment described in Schedule B to the CSA (said equipment being hereinafter called the "Equipment" and the Equipment constructed, sold and delivered by each Builder being hereinafter sometimes called "such Builder's Equipment" or "its Equipment").

NOW, THEREFORE, THIS AGREEMENT AND ASSIGNMENT WITNESSETH: That, in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration paid by the Assignee to each Builder, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained:

SECTION 1. Each Builder hereby assigns, transfers and sets over unto the Assignee, its successors and assigns:

(a) all the right, title and interest of such Builder in and to each unit of its Equipment when and as severally delivered to and accepted by the Railroad, subject to payment by the Assignee to such Builder of the amount required to be paid to such Builder under Section 4 hereof;

(b) all the right, title and interest of such Builder in and to the CSA (except the right to construct and deliver such Builder's Equipment and the right to receive the payments specified in the third paragraph

of Article 3 thereof, in subparagraph (a) of the fourth paragraph of Article 4 thereof, and in the last paragraph of Article 15 thereof and reimbursements for taxes paid or incurred by such Builder as provided in Article 5 thereof), and in and to any and all amounts which may be or become due or owing by the Railroad to such Builder under the CSA in respect of the Purchase Price (as defined in the CSA) of the Equipment and interest thereon, and in and to any other sums becoming due from the Railroad under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) hereof, all such Builder's rights, powers, privileges and remedies under the CSA;

without any recourse against such Builder for or on account of the failure of the Railroad to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify, the liability of such Builder to construct and deliver its Equipment in accordance with the CSA or with respect to its obligations contained or referred to in Article 14 of the CSA, or relieve the Railroad from its obligations to such Builder contained or referred to in Articles 2, 3, 4, 5, 13, 14 and 15 of the CSA, it being understood and agreed that, notwithstanding this Assignment, or any subsequent assignment pursuant to the provisions of Article 15 of the CSA all obligations of such Builder to the Railroad with respect to such Builder's Equipment shall be and remain enforceable by the Railroad, its successors and assigns, against and only against such Builder. In furtherance of the foregoing assignment and transfer, each Builder hereby authorizes and empowers the Assignee, in the Assignee's own name or in the name of the Assignee's nominee, or in the name of and as attorney hereby irrevocably constituted for such Builder, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Assignee is or may become entitled under this Assignment and to ask, demand, sue for and enforce compliance by the Railroad with the terms and agreements on its part to be performed under the CSA, but at the expense and liability and for the sole benefit of the Assignee.

SECTION 2. Each Builder agrees that it shall construct its Equipment in full accordance with the CSA and

will deliver the same upon completion to the Railroad in accordance with the provisions of the CSA; and that, notwithstanding this Assignment, it will perform and fully comply with each of and all the covenants and conditions of the CSA set forth to be performed and complied with by such Builder. Each Builder further agrees that it will warrant to the Assignee and the Railroad that at the time of delivery of each unit of the Equipment of such Builder under the CSA it had legal title to such unit and good and lawful right to sell such unit and that title to such unit was free of all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment); and each Builder further agrees that it will defend the title to each unit of its Equipment against the demands of all persons whomsoever based on claims originating prior to the delivery of such unit by such Builder under the CSA; all subject, however, to the provisions of the CSA and the rights of the Railroad thereunder. No Builder will deliver any of its Equipment to the Railroad under the CSA until the filings and recordations referred to in Article 19 of the CSA have been effected (the respective Builders and their counsel being entitled to rely on advice from special counsel for the Assignee that such filings and recordations have been effected).

SECTION 3. Each Builder agrees with the Assignee that in any suit, proceeding or action brought by the Assignee under the CSA for any installment of, or interest on, indebtedness in respect of the Purchase Price of its Equipment or to enforce any provision of the CSA, such Builder will indemnify, protect and hold harmless the Assignee from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever of the Railroad arising out of a breach by such Builder of any obligation with respect to the Equipment of such Builder or the manufacture, construction, delivery or warranty thereof, or by reason of any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by such Builder. Each Builder's obligation so to indemnify, protect and hold harmless the Assignee is conditional upon (a) the Assignee's timely motion or other appropriate action, on the basis of Article 15 of the CSA, to strike any defense, setoff, counterclaim or recoupment asserted by the Railroad in any such suit, proceeding or action and (b) if the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and accepts such defense, setoff, counterclaim or recoupment as a triable issue in such suit,

proceeding or action, the Assignee's prompt notification to such Builder of the asserted defense, setoff, counterclaim or recoupment and the Assignee's giving such Builder the right, at such Builder's expense, to compromise, settle or defend against such defense, setoff, counterclaim or recoupment.

Except in cases of articles or materials specified by the Railroad and not manufactured by such Builder and in cases of designs, systems, processes, formulae or combinations specified by the Railroad and not developed or purported to be developed by such Builder, each Builder agrees, except as otherwise specifically provided in the CSA, to indemnify, protect and hold harmless the Assignee from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Assignee or its assigns because of the use in or about the construction or operation of any of its Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Assignee will give prompt notice to the appropriate Builder of any such liability or claim actually known to the Assignee and will give such Builder the right, at such Builder's expense, to compromise, settle or defend against such claim. Each Builder agrees that any amounts payable to it by the Railroad with respect to its Equipment, whether pursuant to the CSA or otherwise, not hereby assigned to the Assignee, and amounts payable to the Builder pursuant to supplemental invoices shall not be secured by any lien, charge or security interest upon the Equipment of such Builder or any unit thereof.

SECTION 4. The Assignee, on each Closing Date fixed as provided in Article 4 of the CSA with respect to a Group (as defined in said Article 4) of the Equipment, shall pay to the Builder whose Equipment shall be included in such Group and to each Builder which shall submit a supplemental invoice for settlement on such Closing Date as contemplated in Article 4 of the CSA an amount equal to the portion of the Purchase Price of such Builder's Equipment as shown on the invoice therefor then being settled for which, under the terms of said Article 4, is payable in installments, provided that there shall have been delivered to the Assignee, as provided in Article 15 of the CSA, at least five business days (as defined in said Article 4) prior to such Closing Date, the following documents, in form and scope satisfactory to it and to its special counsel hereinafter mentioned, in

such number of counterparts as may be reasonably requested by said special counsel:

(a) a bill of sale from such Builder to the Assignee confirming the transfer to the Assignee of all right, title and interest of such Builder in such Builder's Equipment in such Group, warranting to the Assignee and to the Railroad that at the time of delivery of such units under the CSA such Builder had legal title to such units and good and lawful right to sell such units and that such units were free of all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment), and covenanting to defend the title to such units against the demands of all persons whomsoever based on claims originating prior to the delivery of such units by such Builder under the CSA;

(b) a Certificate or Certificates of Acceptance with respect to the units of such Builder's Equipment in such Group as contemplated by Article 3 of the CSA;

(c) an invoice of such Builder for the units of such Builder's Equipment in such Group and any supplemental invoice for which settlement is then being made, in each case accompanied by or having endorsed thereon a certification by the Railroad as to the correctness of the prices stated therein;

(d) an opinion of Messrs. Cravath, Swaine & Moore, who are acting as special counsel for the Assignee and the Investors named in the Finance Agreement, dated as of such Closing Date, to the effect that (i) the Finance Agreement, assuming due authorization, execution and delivery by such Investors, has been duly authorized, executed and delivered and is a legal, valid, binding and enforceable instrument, (ii) the CSA has been duly authorized, executed and delivered by the Railroad and such Builder and is a legal, valid and binding instrument, enforceable in accordance with its terms, (iii) this Assignment has been duly authorized, executed and delivered by such Builder and is a legal, valid, binding and enforceable instrument, (iv) the Assignee is vested with all the rights, titles, interests, powers and privileges purported to be assigned to it by this Assignment, (v) the Assignee has title to and a valid and perfected security interest in the units of the Equipment in such Group and such units, at the time of delivery thereof to the Rail-

road under the CSA, were free from all claims, liens, security interests and other encumbrances (other than those created by the CSA), (vi) no approval of the Interstate Commerce Commission or any other governmental authority is necessary for the valid execution and delivery of the Finance Agreement, the CSA, this Assignment or the Railroad's Consent hereto, (vii) the CSA and this Assignment have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 and no other filing or recordation is necessary for the protection of the rights of the Assignee in any state of the United States of America or in the District of Columbia and (viii) registration of the CSA, this Assignment or any certificates of interest delivered pursuant to the Finance Agreement is not required under the Securities Act of 1933, as amended, and qualification of an indenture with respect thereto is not required under the Trust Indenture Act of 1939, as amended; such opinion shall also state that said counsel have examined the opinions being delivered on such Closing Date pursuant to subparagraphs (e) and (f) of this Section 4, that such opinions are satisfactory in form and scope to said counsel and that said counsel believe that the Assignee and Investors are justified in relying thereon; and such opinion shall also cover such other matters including the applicability of 11 U.S.C. § 1168 to the Equipment and any substitutes thereof, as may reasonably be requested by the Assignee or any such Investor;

(e) an opinion of counsel for the Railroad, dated as of such Closing Date, to the effect set forth in clauses (i), (ii), (v), (vi) and (vii) of subparagraph (d) above (said counsel, in rendering such opinion, being permitted to assume due authorization, execution and delivery of the Finance Agreement and this Agreement by parties thereto other than the Railroad) and stating that (i) the Railroad is a duly organized and existing corporation in good standing under the laws of its jurisdiction of incorporation and has the full power and authority to own its properties and to carry on its business as conducted on the date thereof, (ii) this Assignment is a legal, valid, binding and enforceable instrument, and (iii) the execution and delivery by the Railroad of the CSA and the Finance Agreement do not violate any provision of any law, any order of any court or governmental agency, the charter or By-laws of the Railroad, or any indenture, agreement, or other instrument to which the Railroad is a party or by which it, or any of its property is bound, and will not be in conflict with, result in the breach of, or constitute, with due notice or lapse of time or both, a default under, any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Railroad.*

(f) an opinion of counsel for such Builder, dated as of such Closing Date, to the effect set forth in clause (iv) of subparagraph (d) above in respect of its Equipment insofar as such matters relate to such Builder and stating that (i) such Builder is a duly organized and existing corporation in good standing under the laws

* except that the interest or equity of the Railroad in or to the Equipment is subject to the Railroad's First Mortgage and General (Income) Mortgage, both dated January 1, 1955, both of which are subject to and subordinate to the CSA.

of its jurisdiction of incorporation and has the power and authority to own its properties and to carry on its business as conducted on the date thereof, (ii) the CSA has been duly authorized, executed and delivered by such Builder and, assuming due authorization, execution and delivery by the other parties thereto, is a legal and valid instrument binding upon such Builder and enforceable against such Builder in accordance with its terms, (iii) this Assignment has been duly authorized, executed and delivered by such Builder and, assuming due authorization, execution and delivery by the other parties thereto, is a legal, valid, binding and enforceable instrument binding upon such Builder and (iv) the bill of sale delivered by such Builder on such Closing Date is effective to confirm the transfer of the Builder's right, title and interest in the units of the Equipment in such Group to the Assignee and such units, at the time of delivery thereof to the Railroad under the CSA, were free from all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment);

(g) a certificate of the senior financial officer of the Railroad, dated as of such Closing Date, to the effect that (i) to the best of his knowledge and belief, no event of default, or event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default, shall have occurred and is then continuing, (ii) no Federal tax liens (including tax liens filed pursuant to Section 6323 of the Internal Revenue Code of 1954, as amended) and to the best of his knowledge and belief no other tax liens have been filed and are currently in effect which would adversely affect the security interest of the Assignee in the Equipment; and (iii) to the best of his knowledge and belief, the Railroad has not been in default as to principal and interest payments during the five years preceding the Closing Date;

(h) a receipt from such Builder for any payment (other than the payment being made by the Assignee pursuant to the first paragraph of this Section 4) required to be made on such Closing Date to such Builder with respect to the Equipment, unless such payment is made by the Assignee with funds furnished to it for that purpose by the Railroad;

provided, however, that with respect to Equipment for which

a Final Supplemental Invoice (as defined in the CSA) is submitted by any Builder as permitted by Article 4 of the CSA, the only documents which must be delivered to the Assignee are those required by subparagraphs (c) and (h) of this Section 4.

In giving the opinions specified in subparagraphs (d), (e) and (f) of the first paragraph of this Section 4, counsel may qualify any opinion to the effect that any agreement is a legal, valid and binding instrument enforceable in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally. In giving the opinion specified in said subparagraphs (d) and (e), counsel may rely on the opinion of counsel for such Builder as to authorization, execution and delivery by such Builder of the documents executed by such Builder and as to title to the Equipment of such Builder at the time of delivery thereof under the CSA; and in giving the opinion specified in said subparagraph (d), counsel may rely as to any matter governed by the law of any jurisdiction other than New York or the United States on the opinion of counsel for the Railroad as to such matter; and in giving the opinion specified in said subparagraph (e), counsel may rely on the bill of sale and opinion of counsel for such Builder as to claims, liens, security interests and other encumbrances arising from, through or under such Builder.

The obligation of the Assignee hereunder to make any payment provided for in this Section 4 is hereby expressly conditioned upon the Assignee's having on deposit, pursuant to the terms of the Finance Agreement, sufficient funds available thereunder to make such payment. The Assignee shall not be obligated to make payment at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 of the CSA or if an event of default, or any event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default, shall have occurred and be continuing under the CSA. In the event that the Assignee shall not make payment for any Group of the Equipment on any scheduled Closing Date as the same may from time to time be postponed, the Assignee shall be deemed to have reassigned to such Builder, without recourse to the Assignee, all right, title and interest of the Assignee in and to the units of the Equipment with respect to which payment has not been made by the Assignee, and at the request

of such Builder, confirm in writing such reassignment. In the event that the Assignee shall not make payment for any Final Supplemental Invoice on any scheduled Closing Date as the same may from time to time be postponed, the sole remedy of the Builder in respect thereof shall be an unsecured claim for the amount thereof against the Railroad and the payment thereof to the Builder shall not be secured by any lien, charge or security interest upon the Equipment of such Builder or any unit thereof.

SECTION 5. The Assignee may assign all or any of its rights under the CSA, including the right to receive any payments due or to become due to it from the Railroad thereunder. In the event of any such assignment any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

SECTION 6. Each Builder hereby severally:

(a) represents and warrants to the Assignee, its successors and assigns, that the CSA was duly authorized by it and lawfully executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by the Railroad, the CSA is, insofar as such Builder is concerned, a valid and existing agreement binding upon it and the Railroad in accordance with its terms and that it is now in force without amendment thereto;

(b) agrees that it will from time to time and at all times, at the request of the Assignee or its successors or assigns, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be; and

(c) agrees that, upon request of the Assignee and provided that the Assignee shall have made all payments which the Assignee is required by this Assignment to make to such Builder, its successors and assigns, it will execute any and all instruments which may be neces-

sary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of such Builder therein or in the Equipment of such Builder.

SECTION 7. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of Missouri; provided, however, that the parties shall be entitled to all the rights conferred as provided in Article 23 of the CSA.

SECTION 8. Although this Assignment is dated for convenience as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 9. This Assignment may be executed in any number of counterparts, all of which together shall constitute a single instrument. Each Builder shall be bound hereunder notwithstanding the failure of the other Builder to execute and deliver this Assignment or to perform its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

MERCANTILE TRUST COMPANY, N.A.,
As Agent,

by
Elden R. Stennberg
Vice President

[Corporate Seal]

Attest:

Victor Zarrilli
Assistant Secretary

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

by P. K. Hoglund
Vice President

[Corporate Seal]

Attest:

W. J. Scott
Assistant Secretary

GENERAL ELECTRIC COMPANY,

by M. S. Richardson
General Manager-Locomotive Operations

[Corporate Seal]

Attest:

J. T. Hughes
Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by R. K. Smith
Vice President

[Corporate Seal]

Attest:

M. Hemphill, Jr.
Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by Walter A. Dahl
Vice President

[Corporate Seal]

Attest:

R. W. Polster
~~Assistant~~ Secretary

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this 11th day of April 1980, before me personally appeared Elden R. Stennberg , to me personally known, who, being by me duly sworn, says that he is a Vice President of MERCANTILE TRUST COMPANY, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Dorothy Pusczek
Notary Public

[NOTARIAL SEAL]

Dorothy Pusczek

My Commission expires
August 25, 1980

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 8th day of April 1980, before me personally appeared P. K. Hoglund , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (Electro-Motive Division), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

T. K. Piorecki
Notary Public

[Notarial Seal]

My Commission expires
September 18, 1983

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this 9th day of April 1980, before me personally appeared M. S. Richardson , to me personally known, who, being by me duly sworn, says that he is General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Judy Crandall
Notary Public
Judy Crandall, Notary Public
Lawrence Park Twp. Erie County, Penna.
My Commission Expires January 16, 1984

[Notarial Seal]

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this 10th day of April 1980, before me personally appeared R. K. Smith , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Evelyn S. Weeks
Notary Public
My Commission Expires
City of Bethlehem
Lehigh County
October 13, 1982

[Notarial Seal]

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this 14th day of April 1980, before me personally appeared W. A. Dahl, to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

L. W. Moffett

Notary Public

[Notarial Seal]

My Commission expires
October 14, 1982

L. W. Moffett, Notary Public
City of Washington, District of Columbia
My Commission Expires October 14, 1982

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

MISSOURI PACIFIC RAILROAD COMPANY hereby acknowledges due notice of and consents to the assignment made by the foregoing Agreement and Assignment as of March 1, 1980.

MISSOURI PACIFIC RAILROAD COMPANY,

by M. M. Hennelley
Vice President

[CS&M Ref. 2043-986]

AMENDMENT AGREEMENT NO. 3, dated as of July 31, 1980, among Missouri Pacific Railroad Company (the "Railroad"), General Motors Corporation (Electro-Motive Division), General Electric Company, Bethlehem Steel Corporation, Greenville Steel Car Company, and Fruit Growers Express Company (collectively called the "Builders" and individually called "GM", "GE", "Bethlehem", "Greenville" and "Fruit Growers", respectively), and Mercantile Trust Company, N.A. (the "Assignee").

WHEREAS the Railroad and the Builders (except Greenville) have entered into a Conditional Sale Agreement dated as of March 1, 1980 (the "Conditional Sale Agreement"), providing for the construction, sale and delivery of certain items of railroad rolling stock specified in Schedule B thereto (the "Equipment");

WHEREAS the Builders (except Greenville) and the Assignee have entered into an Agreement and Assignment dated as of March 1, 1980 (the "Assignment"), assigning to the Assignee the rights of such Builders under the Conditional Sale Agreement therein specified;

WHEREAS the Conditional Sale Agreement and the Assignment were filed and recorded with the Interstate

Commerce Commission pursuant to 49 U.S.C. § 11303 on April 14, 1980, at 2:25 p.m., and were assigned recordation number 11671;

WHEREAS the Conditional Sale Agreement and the Agreement and Assignment were amended by Amendment Agreement No. 1 dated as of April 1, 1980, among the Railroad, GE and the Assignee ("Amendment Agreement No. 1");

WHEREAS Amendment Agreement No. 1 was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 24, 1980, at 1:35 p.m., and was assigned recordation number 11671-A;

WHEREAS the Conditional Sale Agreement and the Agreement and Assignment were amended by Amendment Agreement No. 2 dated as of May 1, 1980, among the Railroad, Bethlehem and the Assignee ("Amendment Agreement No. 2");

WHEREAS Amendment Agreement No. 2 was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on May 15, 1980, at 3:50 p.m., and was assigned recordation number 11671-B;

WHEREAS the Railroad and the Builders desire to amend the Conditional Sale Agreement by excluding from the Equipment the units which were to be manufactured and sold by Fruit Growers, and to substitute therefor certain units of equipment to be manufactured and sold by Greenville and hav-

ing a useful life at least equal to the useful life of the excluded equipment, all as more specifically set forth below;

WHEREAS the Assignee and the Builders propose to amend the Assignment to reflect the amendments to the Conditional Sale Agreement herein referred to; and

WHEREAS this substitution of Equipment is authorized by the third paragraph of Paragraph 2 of the Finance Agreement without the consent of the Investors.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and of other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto hereby agree as follows:

1. The reference to "Fruit Growers Express Company" is hereby deleted from the first introductory paragraph of the Finance Agreement dated as of March 1, 1980, among the Railroad, the Assignee and the investors named in Schedule A thereto and "Greenville Steel Car Company" is hereby substituted therefor.

2. Schedule B of the Conditional Sale Agreement is hereby amended to delete the following units of Equipment:

Builder:	Fruit Growers Express Company
Type:	100-ton Boxcars

AAR Mechanical Designation:	XP
Builder's Specifications:	S-467
Builder's Plant:	Alexandria, Virginia
Quantity:	28
Unit Base Price:	$76,400
Total Base Price:	$2,139,200
Road Numbers or Serial Numbers (Inclusive):	MP269431-MP269458
Estimated Time of Delivery at Builder's Plant:	July 1980

3. The Conditional Sale Agreement, a counterpart of which is attached hereto and incorporated herein by reference, is hereby amended by (w) by deleting the last sentence of the first paragraph of Article 3 thereof, (x) deleting all references to Fruit Growers and substituting as a party thereto, Greenville, which shall be deemed included for all purposes as a "Builder" therein, (y) amending and restating Item 1(d) and Item 2(d) of Schedule A to the Conditional Sale Agreement as set forth in Schedule A attached hereto, and deleting "Fruit Growers" and substituting therefor "Greenville" in Item 3, and (z) adding to Schedule B to the Conditional Sale Agreement the information with respect to equipment to be built by Greenville, as set forth in Schedule B hereto.

4. The Assignment, a counterpart of which is

attached hereto and incorporated herein by reference, is hereby amended (x) by deleting all references to Fruit Growers and substituting as a party thereto, Greenville, which shall be deemed included for all purposes as a "Builder" therein, and (y) by adding after the word "hereof" in the third line of the introductory paragraph thereof the words "as amended by Amendment Agreement No. 1 dated as of April 1, 1980, Amendment Agreement No. 2 dated as of May 1, 1980, and Amendment Agreement No. 3 dated as of July 31, 1980".

5. The Assignee hereby consents to the foregoing amendments to the Conditional Sale Agreement and the Assignment and the addition of Greenville as a party to each thereof.

6. The Railroad will promptly cause this Amendment Agreement to be filed and recorded in accordance with the provisions of Article 19 of the Conditional Sale Agreement prior to the delivery of any Equipment by Greenville under the Conditional Sale Agreement.

7. Except as hereby or heretofore amended, the Conditional Sale Agreement and the Assignment shall remain unaltered and in full force and effect.

8. This Amendment Agreement shall be governed and construed in accordance with the laws of the State of Missouri; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

9. This Amendment Agreement may be executed in several counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party shall execute a counterpart thereof.

IN WITNESS WHEREOF, the parties hereto have caused their names to be signed hereto by their respective officers thereunto duly authorized, and their respective corporate seals, duly attested, to be hereunto affixed as of the day and year first above written.

MISSOURI PACIFIC RAILROAD COMPANY,

by _____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

MERCANTILE TRUST COMPANY, N.A.,

by _____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

GREENVILLE STEEL CAR COMPANY,

by

_____
Chairman of the Board

[Corporate Seal]

Attest:

_____
Assistant Secretary

GENERAL MOTORS CORPORATION
(Electro-Motive Division),

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

GENERAL ELECTRIC COMPANY,

by

_____
General Manager-
Locomotive Operations

[Corporate Seal]

Attest:

_____
Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by

_____
Vice President

[Corporate Seal]

Attest:

_____

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of MISSOURI PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires:

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this 18th day of August 1980, before me personally appeared C. T. Tooley, to me personally known, who, being by me duly sworn, says that he is a Vice President of MERCANTILE TRUST COMPANY, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation and that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Dorothy Pusczek
Notary Public

[Notarial Seal] DOROTHY PUSCZEK

My Commission expires:

8/25/80

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF MERCER,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is Chairman of the Board of GREENVILLE STEEL CAR COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires:

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (Electro-Motive Division), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires:

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____

Notary Public

[Notarial Seal]

My Commission expires

Schedule A

Item 1: (d) Greenville Steel Car Company, a Pennsylvania corporation, Union Street, Greenville, Pennsylvania 16125.

Item 2: [Warranty of materials and Workmanship] (d) Greenville Steel Car Company ("Greenville") warrants that its Equipment will be built in accordance with the Specifications and the standards and requirements set forth or referred to in Article 2 of this Agreement and warrants that its Equipment will be free from defects in material (except as to specialties incorporated therein specified by the Railroad and not manufactured by Greenville) and workmanship and design (except as to designs specified by the Railroad and not developed by Greenville) under normal use and service, Greenville's obligation under this Item 2(d) being limited to making good at its plant any part or parts of any unit of its Equipment which shall, within ~~two~~ five years or 50,000 miles, whichever occurs first, after the delivery of such units of its Equipment to the Railroad, be returned to Greenville with transportation charges prepaid and which examination by Greenville shall disclose to its satisfaction to have been thus defective. In no event shall Greenville be liable to anyone for any incidental, special or consequential damages of any kind. The foregoing warranty is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose, except for its obligations or liabilities under Articles 2, 3, 4 and 14 of the Agreement, and Item 3 below, and Greenville neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment.

Greenville agrees to use its best efforts to include, as a condition of its purchase order with the vendor of any specialty purchased by Greenville for incorporation in the Equipment manufactured by it, an agreement by such vendor to the effect that all warranty agreements and representations, if any, made by such vendor with respect to such specialty may be enforced by the

Railroad, in the Railroad's own name, by Greenville, in Greenville's own name, or by Greenville and the Railroad jointly; provided, however, that if any vendor does not accept such an agreement and Greenville so notifies the Railroad, Greenville shall have no obligation to the Railroad under this sentence if such an agreement is not contained in any such purchase order. Greenville further agrees that, whether or not such an agreement is contained in any such purchase order, the Railroad as well as Greenville may to the extent permitted by law take and prosecute claims against vendors of specialties purchased by Greenville for incorporation in the Equipment manufactured by Greenville for the breach of any warranty by the vendors with respect to such specialties. Greenville and the Railroad each agree to notify the other prior to the assertion of any claim by them against any such vendors of specialties. If Greenville determines that it has no interest in any such claim asserted by the Railroad, Greenville agrees to assign to the Railroad, solely for the purpose of making and prosecuting any such claim, all of the rights which Greenville has against such vendor for the breach of warranty or other representation respecting the Equipment manufactured by it. The word "specialties" as used herein shall be deemed to include articles, materials, systems, formulae and processes.

Greenville further agrees with the Railroad that neither the inspection as provided in Article 3 of this Agreement, nor any examination, nor the acceptance of any units of the Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 2(d).

Schedule B

Builder:	Greenville Steel Car Company
Type:	100-ton Wood Chip Hopper Cars
AAR Mechanical Designation:	HTS
Builder's Specifications:	H-6043B
Builder's Plant:	Greenville, Pennsylvania
Quantity:	35
Unit Base Price:	$58,300
Total Base Price:	$2,040,500
Road Numbers or Serial Numbers (Inclusive):	MP592950-MP592984
Estimated Time and Place of Delivery at Builder's Plant:	October ~~November~~ 1980--December 1980 ~~January 1981~~

EXHIBIT A

[CS&M 2043-986]

CONDITIONAL SALE AGREEMENT

Dated as of March 1, 1980

Between each of

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

GENERAL ELECTRIC COMPANY,

BETHLEHEM STEEL CORPORATION

and

FRUIT GROWERS EXPRESS COMPANY

and

MISSOURI PACIFIC RAILROAD COMPANY

AGREEMENT AND ASSIGNMENT

Dated as of March 1, 1980

Between each of

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

GENERAL ELECTRIC COMPANY,

BETHLEHEM STEEL CORPORATION

and

FRUIT GROWERS EXPRESS COMPANY

and

MERCANTILE TRUST COMPANY, N.A.,
as Agent.

Filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 14, 1980, at 2:25 p.m., recordation number 11671, and conformed to reflect Amendment Agreements dated as of April 1, 1980, and May 1, 1980, respectively, filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 24, 1980, at 1:35p.m., recordation number 11671-A, and May 15, 1980, at 3:50 p.m., recordation number 11671-B, respectively.

CONDITIONAL SALE AGREEMENT

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CONDITIONAL SALE AGREEMENT dated as of March 1, 1980, between each of GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION), GENERAL ELECTRIC COMPANY, BETHLEHEM STEEL CORPORATION and FRUIT GROWERS EXPRESS COMPANY (collectively the "Builders" or severally the "Builder", or collectively or severally the "Vendor" as the context may require, all as more particularly set forth in Article 1 hereof), and MISSOURI PACIFIC RAILROAD COMPANY, a Delaware corporation (the "Railroad").

The Builders severally have agreed to construct, sell and deliver to the Railroad, and the Railroad has agreed to purchase, the equipment described in Schedule B hereto (the "Equipment").

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

ARTICLE 1. Certain Definitions. The term "Vendor", whenever used in this Agreement, means, before any assignment of any of their rights hereunder, the respective corporations named in Item I of Schedule A hereto and any successor or successors for the time being to their manufacturing properties and businesses, and, after any such assignment, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also any assignor as regards any rights hereunder that are retained or excluded from any assignment. The parties hereto contemplate that this Agreement shall be assigned to Mercantile Trust Company, N.A., acting as agent under a Finance Agreement dated as of the date hereof (said agent being hereinafter sometimes called the "Agent" and said Finance Agreement being hereinafter called the "Finance Agreement"). The term "Builder", whenever used in this Agreement, means, both before and after any such assignment, the respective corporations (as to the units of Equipment to be constructed by such corporation and sold hereunder) named in Item 1 of Schedule A hereto and any successor or successors for the time being to their respective manufacturing properties and businesses.

The rights and obligations of the Builders under this Agreement are several in accordance with their interests

and not joint. Accordingly, whenever this Agreement, by the use of such designation as "the Vendor", "such Builder" or other similar term, confers a right or imposes an obligation upon any corporation named in Item 1 of Schedule A hereto or its successor, such right or obligation shall be construed to accrue to or to be enforceable against only the specific corporation furnishing the units of Equipment giving rise to such right or obligation and its successors as herein provided.

ARTICLE 2. Construction and Sale. Pursuant to this Agreement, each Builder shall construct the units of the Equipment to be constructed by it as described in Schedule B hereto (such units of Equipment with respect to such Builder being hereinafter called "its Equipment") at its plant set forth in said Schedule B and will sell and deliver to the Railroad, and the Railroad will purchase from such Builder and accept delivery of and pay for (as hereinafter provided), such Equipment, each unit of which shall be constructed in accordance with the specifications set forth or referred to therefor in Schedule B hereto and in accordance with such modifications thereof as may be agreed upon in writing between such Builder and the Railroad (which specifications and modifications, if any, are hereinafter called the "Specifications"). The design, quality and component parts of each unit of the Equipment shall conform, on the date of completion of manufacture of each thereof, to all Department of Transportation and Interstate Commerce Commission requirements and specifications and to all standards recommended by the Association of American Railroads reasonably interpreted as being applicable to equipment of the character of such units of the Equipment and each unit of the Equipment will be new railroad equipment.

ARTICLE 3. Inspection and Delivery. Each Builder will deliver the units of its Equipment to the Railroad at the place or places specified in Schedule B hereto (or if said Schedule B does not specify a place or places, at the place or places designated from time to time by the Railroad), freight charges, if any, prepaid and for the account of the Railroad in accordance with the delivery schedule set forth in Schedule B hereto; provided, however, that no Builder shall have any obligation to deliver any unit of Equipment hereunder at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 hereof or if any event of default (as described in said Article 16), or event which with the lapse of time and/or demand could

constitute such an event of default, shall have occurred and be continuing. It is agreed between the Railroad and Fruit Growers Express Company that the obligation of Fruit Growers Express Company to construct the units of its Equipment is subject to its constructing the same type of equipment for Consolidated Rail Corporation.

Each Builder's obligation as to time of delivery is subject, however, to delays resulting from causes beyond such Builder's reasonable control, including but not limited to acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities, delays in receiving necessary materials or delays of carriers or subcontractors.

Notwithstanding the preceding provisions of this Article 3, any Equipment not delivered, accepted and settled for pursuant to Article 4 hereof on or before the Cut-Off Date (as defined in Article 4 hereof) shall be excluded herefrom. If any unit or units of Equipment shall be excluded from this Agreement pursuant to the preceding sentence, the Builder or Builders of such unit or units and the Railroad shall execute an agreement supplemental hereto limiting this Agreement to the units of Equipment not so excluded herefrom. If a Builder's failure to deliver Equipment so excluded from this Agreement resulted from one or more of the causes set forth in the immediately preceding paragraph, the Railroad shall nevertheless be obligated to accept such Equipment and pay the full purchase price therefor, determined as provided in this Agreement, if and when such Equipment shall be completed and delivered by such Builder, such payment to be in cash on the delivery of such Equipment, either directly or, in case the Railroad shall arrange therefor, by means of a conditional sale agreement, equipment trust or such other appropriate method of financing as the Railroad shall determine and as shall be reasonably acceptable to such Builder.

During construction, the Equipment shall be subject to inspection and approval by the authorized inspectors of the Railroad and each Builder shall grant to such authorized inspectors reasonable access to its plant. Each Builder agrees to inspect all materials used in the construction of

its Equipment in accordance with the standard quality control practices of such Builder. Upon completion of each unit or of a number of units of the Equipment, such unit or units shall be presented to an inspector of the Railroad for inspection at the place specified for delivery of such unit or units, and if each such unit conforms to the Specifications, requirements and standards applicable thereto, such inspector or an authorized representative of the Railroad shall execute and deliver to such Builder a certificate of acceptance (the "Certificate of Acceptance") stating that such unit or units have been inspected and accepted on behalf of the Railroad and are marked in accordance with Article 7 hereof; provided, however, that such Builder shall not thereby be relieved of its warranty referred to in Article 14 hereof.

On delivery to and acceptance by the Railroad of each such unit hereunder at the place specified for delivery, the Railroad will assume the responsibility and risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of such unit.

ARTICLE 4. Purchase Price and Payment. The base price or prices per unit of the Equipment are set forth in Schedule B hereto. Such base price or prices are subject to such increase or decrease as is agreed to by the Builder thereof and the Railroad. The term "Purchase Price" as used herein shall mean the base price or prices as so increased or decreased, including without limitation any increase pursuant to the presentation of a supplemental invoice as hereinafter provided, plus off-line freight charges, if any.

If the aggregate Purchase Price shall exceed $59,172,500, the Builder or Builders (and any assignee of the Builders) and the Railroad, unless waived by the Railroad, will enter into an agreement excluding from this Agreement such unit or units of Equipment then proposed to be settled for and specified by the Railroad, as will, after giving effect to such exclusion, reduce the aggregate Purchase Price of the Equipment under this Agreement to not more than $59,172,500, and the Railroad agrees to purchase any such unit or units so excluded from this Agreement from the Builder thereof for cash on the date such unit or units would otherwise have been settled for under this Agreement either directly, or by means of a conditional sale, equipment trust or other appropriate method of financing as the Railroad

shall determine and shall be reasonably acceptable to such Builder.

For the purpose of making settlement, the Equipment of each Builder shall be divided into such number of groups of units of the Equipment, delivered to and accepted by the Railroad (each such group being hereinafter called a "Group"), as such Builder and the Railroad may agree to.

The Railroad hereby acknowledges itself to be indebted to the Vendor in the amount of, and hereby promises to pay in cash to the Vendor at such place as the Vendor may designate, the Purchase Price of the Equipment, as follows:

(a) on each Closing Date (as hereinafter defined) an amount equal to (i) 20% of the Purchase Price of all units of the Equipment for which settlement is then being made, as stated in the invoice or invoices presented (including the supplemental invoice or invoices hereinafter provided for) in respect of such Closing Date (said invoiced prices being herein called the "Invoiced Purchase Prices") plus (ii) the amount, if any, by which the Invoiced Purchase Price of all units of the Equipment for which settlement has theretofore or is then being made, exceeds $47,338,000; and

(b) in 15 consecutive equal annual installments, as hereinafter provided, an amount equal to the aggregate of the Invoiced Purchase Prices for all the Equipment less the amount paid or payable with respect thereto pursuant to subparagraph (a) of this paragraph (the aggregate of said installments being hereinafter called the "CSA Indebtedness").

In the event that on any Closing Date the final Purchase Price of any Group has not been determined, the invoice presented may be for an estimated Purchase Price (as evidenced by the words "Interim Invoice" written on the face of such invoice), subject to adjustment upon determination of the final Purchase Price, and a supplemental invoice may be presented by the appropriate Builder at least 10 days prior to any subsequent Closing Date for settlement on such subsequent Closing Date for any increase in the Purchase Price. Any prior preliminary invoice or invoices presented by such Builder shall be in an amount not in excess of the final Purchase Price of such Group. One final supplemental invoice (the "Final Supplemental Invoice") may be presented

by a Builder after the last Closing Date on which a Certificate or Certificates of Acceptance is presented for the last Group of Equipment provided by such Builder; provided, however, that the Final Supplemental Invoice may only be presented on or prior to June 1, 1981 (the "Cut-Off Date"), and that the notation "Final Supplemental Invoice" shall appear on the face thereof.

The installments of the CSA Indebtedness payable pursuant to subparagraph (b) of the fourth paragraph of this Article 4 shall be payable annually on June 1 in each year commencing on June 1, 1981, to and including June 1, 1995, or, if any such date is not a business day, on the next succeeding business day. The unpaid portion of the CSA Indebtedness shall bear interest from the respective Closing Dates on which such indebtedness was incurred at a rate of 12-3/4% per annum from the Closing Date on which such indebtedness was incurred; provided, however, that interest on the investment of The Northern Trust Company (the "Interim Investor" as defined in the Finance Agreement) in the CSA Indebtedness incurred hereunder shall be payable for the period from the Closing Date or Dates with respect thereto until August 8, 1980, at a rate per annum equal to the rate of interest in effect from time to time during such period charged by the Interim Investor for prime commercial loans of 90-day maturities to its corporate borrowers of the highest credit rating (the "Prime Rate"), and after August 8, 1980, at the rate of 12-3/4% per annum. All such interest shall be payable, to the extent accrued, on June 1 and December 1 in each year, commencing December 1, 1980, or, if any such date is not a business day, on the next succeeding business day; provided, however, that interest payable pursuant to the proviso to the preceding sentence shall be payable on August 8, 1980.

The term "Closing Date" with respect to any Group of the Equipment shall mean such date (on or after April 8, 1980, and on or prior to the Cut-Off Date), not more than 10 business days following presentation by the Builder of the Equipment in such Group to the Railroad of the invoice and the Certificate or Certificates of Acceptance for such Group, as shall be fixed by the Railroad by written notice delivered to the Vendor at least 5 business days prior to the Closing Date designated therein; provided, however, that the aggregate of the Invoiced Purchase Prices of all Equipment settled for pursuant to this Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) on any Closing Date shall not exceed 125% of the amount then on deposit with the

Vendor pursuant to the Finance Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) under which the Vendor is acting as agent for the institutional investors therein named. The term "business days" as used herein means calendar days, excluding Saturdays, Sundays and any other day on which banking institutions in St. Louis, Missouri, or New York, New York, are authorized or obligated to remain closed.

All interest under this Agreement shall be calculated on the basis of a 360-day year of 12 30-day months.

The Railroad will pay, to the extent legally enforceable, interest at the rate of 13-3/4% per annum (or 1% per annum over the Prime Rate then in effect in the case of the Interim Investor) upon all amounts remaining unpaid after the same shall have become due and payable pursuant to the terms hereof, anything herein to the contrary notwithstanding.

All payments provided for in this Agreement shall be made in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. Except as provided in Article 8 hereof, the Railroad shall not have the privilege of prepaying any installment of its indebtedness hereunder prior to the date it becomes due.

In the event the Vendor, pursuant to Article 15 hereof, assigns the right to receive the payments herein provided to be made by the Railroad, the assignee thereof may request the Railroad to make and the Railroad shall make such payments to it at such address as shall be supplied to the Railroad by the assignee.

ARTICLE 5. Taxes. All payments to be made by the Railroad hereunder will be free of expense to the Vendor for collection or other charges and will be free of expense to the Vendor with respect to the amount of any local, state, Federal or foreign taxes (other than net income, gross receipts [except gross receipts taxes in the nature of or in lieu of sales or use taxes], excess profits and similar taxes) or license fees, assessments, charges, fines or penalties hereafter levied or imposed upon or in connection with or measured by, this Agreement or any sale, use, payment, shipment, delivery or transfer of title under the terms hereof (all such expenses, taxes, license fees, assessments, charges, fines and penalties being hereinafter called "impositions"), all of which impositions the Railroad assumes and

agrees to pay on demand. The Railroad will also pay promptly all impositions which may be imposed upon the Equipment delivered to it or for the use or operation thereof or upon the earnings arising therefrom or upon the Vendor solely by reason of its interest therein and will keep at all times all and every part of the Equipment free and clear of all impositions which might in any way affect the security interest of the Vendor or result in a lien upon any part of the Equipment; provided, however, that the Railroad shall be under no obligation to pay any impositions of any kind so long as it is contesting in good faith and by appropriate legal proceedings such impositions and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the interest or rights of the Vendor in or to the Equipment or otherwise under this Agreement. If any such impositions shall have been charged or levied against the Vendor directly and paid by the Vendor, the Railroad shall reimburse the Vendor upon presentation of an invoice therefor, and any amounts so paid by the Vendor shall be secured by and under this Agreement; provided, however, that the Railroad shall not be obligated to reimburse the Vendor for any impositions so paid unless the Vendor shall have been legally liable with respect thereto (as evidenced by an opinion of counsel for the Vendor) or unless the Railroad shall have approved the payment thereof.

ARTICLE 6. Title to the Equipment. The Vendor shall and hereby does retain title to and a security interest in the Equipment until the Railroad shall have made all its payments under this Agreement and shall have kept and performed all its agreements herein contained, notwithstanding the delivery of the Equipment to and the possession and use thereof by the Railroad as provided in this Agreement. Any and all additions to the Equipment and any and all replacements of the Equipment and of parts thereof and additions thereto shall constitute accessions to the Equipment and shall be subject to all the terms and conditions of this Agreement and included in the term "Equipment" as used in this Agreement.

Except as otherwise specifically provided in Article 8 hereof, when and only when the full indebtedness in respect of the Purchase Price of the Equipment, together with interest and all other payments as herein provided, shall have been paid by the Railroad, and all the Railroad's obligations herein contained shall have been performed by the Railroad, absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the

Railroad without further transfer or action on the part of the Vendor. However, the Vendor, if so requested by the Railroad at that time, will (a) execute a bill or bills of sale for the Equipment transferring and releasing its interest therein to the Railroad, or upon its order, free of all claims, liens, security interests and other encumbrances created or retained hereby and deliver such bill or bills of sale to the Railroad at its address referred to in Article 21 hereof, (b) execute and deliver at the same place, for filing, recording or depositing in all necessary public offices, such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the release of the security interest of the Vendor in the Equipment and (c) pay to the Railroad any money paid to the Vendor pursuant to Article 8 hereof and not theretofore applied as therein provided. The Railroad hereby waives and releases any and all rights, existing or that may be acquired, in or to the payment of any penalty, forfeit or damages for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file any certificate of payment in compliance with any law or statute requiring the filing of the same, except for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file such certificate within a reasonable time after written demand by the Railroad.

ARTICLE 7. Marking of the Equipment. The Railroad will cause each unit of the Equipment to be kept numbered with its identifying number as set forth in Schedule B hereto, or in the case of Equipment not there listed such identifying number as shall be set forth in any amendment or supplement hereto extending this Agreement to cover such Equipment, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each unit, in letters not less than one inch in height, the words "Ownership Subject to a Security Agreement Filed with the Interstate Commerce Commission", or the name of the Vendor followed by the words "Agent, Owner", or other appropriate markings approved by the Vendor with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Vendor's interest in the Equipment and its rights under this Agreement. The Railroad will not place any such unit in operation or exercise any control or dominion over the same until such markings have been made thereon and will replace promptly any such markings which may be removed, defaced or destroyed. The Railroad will not change the number of any unit of the Equipment except in accordance with

a statement of new number or numbers to be substituted therefor, which statement previously shall have been filed with the Vendor by the Railroad and filed, recorded and deposited by the Railroad in all public offices where this Agreement shall have been filed, recorded and deposited.

Except as provided in the immediately preceding paragraph, the Railroad will not allow the name of any person, association or corporation to be placed on any unit of the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Railroad may cause the Equipment to be lettered with the names or initials or other insignia of the Railroad or its affiliates.

ARTICLE 8. Casualty Occurrences; Insurance. In the event that any unit of the Equipment shall be worn out, lost, stolen, destroyed, irreparably damaged or otherwise rendered permanently unfit for use from any cause whatsoever, or taken or requisitioned by condemnation or otherwise or the Purchase Price (or any portion thereof) of any unit shall have been refunded by a Builder pursuant to such Builder's patent indemnities therefor as set forth in Item 3 of Schedule A hereto (such occurrences being hereinafter called "Casualty Occurrences"), the Railroad shall promptly and fully inform the Vendor in regard thereto (after it has knowledge of such Casualty Occurrence). When the aggregate Casualty Value (as defined herein and in the Other Agreement as defined in Item 4 of Schedule A hereto) of all units of the Equipment and all units of the railroad equipment covered by the Other Agreement having suffered a Casualty Occurrence (exclusive of units having suffered a Casualty Occurrence with respect to which a payment shall have been made to the Vendor pursuant to this Article 8 or Article 8 of the Other Agreement) hereunder shall exceed $250,000 (or such lesser amount as the Railroad may elect), the Railroad, within 30 days after it has knowledge of such event, shall promptly pay to the Vendor a sum equal to the aggregate Casualty Value of such units of the Equipment as of the date of such payment and shall file with the Vendor a certificate of an officer of the Railroad setting forth the Casualty Value of each unit of the Equipment suffering a Casualty Occurrence.

So long as no event of default shall have occurred and be continuing, any money paid to the Vendor pursuant to the preceding paragraph of this Article 8 shall be used, as the Railroad shall direct in a written instrument filed with the Vendor not less than 10 days prior to the due date of the

next annual installment of CSA Indebtedness, in whole or in part, to prepay installments of CSA Indebtedness or toward not more than 80% of the cost of a unit or units of new standard-gauge railroad equipment (other than passenger or work equipment of types other than locomotives), to replace units suffering a Casualty Occurrence and the Railroad shall pay the balance of such cost of replacement equipment, in addition to the Casualty Value payment provided above; provided, however, that the total fair value of all cabooses and locomotives which will be subject to this Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) will not exceed 6% and 59% respectively of all Equipment (and its cash equivalent) subject to this Agreement and the Other Agreement. In case any money is applied pursuant to this Article 8 to prepay indebtedness, it shall be so applied to reduce each installment of CSA Indebtedness thereafter falling due pro rata.

The Casualty Value of each unit of the Equipment (other than a replacement unit) shall be deemed to be that amount which bears the same ratio to the original Purchase Price thereof (less an amount which bears the same ratio to the aggregate of all payments made by the Railroad pursuant to subparagraph (a) of the fourth paragraph of Article 4 hereof as the original Purchase Price of such unit bears to the original aggregate Purchase Price of all the Equipment) as the unpaid CSA Indebtedness (without giving effect to any prepayments then or theretofore made pursuant to this Article 8) as of the date payment is made with respect to such Casualty Occurrence bears to the original CSA Indebtedness. The Casualty Value of each replacement unit shall be deemed to be that amount which bears the same ratio to the portion of the cost thereof paid by the Vendor as the unpaid CSA Indebtedness (without giving effect to any prepayments then or theretofore made pursuant to this Article 8) as of the date payment is made with respect to such Casualty Occurrence bears to the unpaid CSA Indebtedness (without giving effect to any such prepayments) as of the date of acquisition by the Vendor of such replacement unit.

The Railroad will cause any replacement unit or units to be marked as provided in Article 7 hereof. Any and all such replacements of Equipment shall constitute accessions to the Equipment and shall be subject to all appropriate terms and conditions of this Agreement as though part of the original Equipment delivered hereunder and shall be included in the term "Equipment" as used in this Agreement; provided, however, that nothing herein shall result in any

Builder having any liability or obligation pursuant to this Agreement with respect to any replacement unit or units not manufactured by it. Title to all such replacement units shall be free and clear of all liens and encumbrances except the liens permitted by the second paragraph of Article 12 hereof and shall be taken initially and shall remain in the name of the Vendor subject to the provisions hereof, and the Railroad shall execute, acknowledge, deliver, file, record or deposit all such documents and do any and all such acts as may be necessary to cause such replacement units to come under and be subject to this Agreement. All such replacement units shall be guaranteed and warranted in like manner as is customary at the time for similar equipment.

Whenever the Railroad shall file with the Vendor a written direction to apply amounts toward the cost of any replacement unit or units, the Railroad shall file therewith in addition to any settlement documents which may be required pursuant to the fifth paragraph of Article 15 hereof:

(1) a certificate of an appropriate officer of the Railroad certifying that such replacement unit is new standard-gauge railroad equipment (other than passenger or work equipment of types other than locomotives), has been marked as required by the provisions of this Article 8, the cost of such replacement equipment and compliance with the percentage limitations for cabooses and locomotives set forth in the second paragraph of this Article 8.

(2) an opinion of counsel for the Railroad that the Vendor has a valid and perfected security interest in such replacement unit, free and clear from all claims, liens, security interests and other encumbrances except the rights of the Railroad under this Agreement, and that such unit has come under and become subject to this Agreement and all necessary filings and recordings have been made to perfect the interests of the Vendor herein.

So long as no event of default shall have occurred and be continuing, any money paid to the Vendor pursuant to this Article 8 shall, if the Railroad shall in writing so direct, be invested, pending its application as hereinabove provided, in such of the following as may be specified in such written direction: (i) direct obligations of the United States of America or obligations for which the full faith and credit of the United States is pledged to provide for the payment of principal and interest, (ii) open market commercial paper rated A-1 by Standard & Poor's Corporation or prime-1

by NCO/Moody's Commercial Paper Division of Moody's Investors Service, Inc., or the successor of either of them, or (iii) certificates of deposit of domestic commercial banks in the United States of America having total capital and surplus in excess of $100,000,000, in each case maturing in not more than one year from the date of such investment (such investments being herein called "Investments"), but in no event shall any of such Investments be purchased at a premium. Any such obligations shall from time to time be sold and the proceeds reinvested in such Investments as the Railroad may in writing direct. Any interest received by the Vendor on any Investments shall be held by the Vendor and applied as hereinafter provided. Upon any sale or the maturity of any Investments, the proceeds thereof, plus any interest received by the Vendor thereon, up to the cost (including accrued interest) thereof, shall be held by the Vendor for application pursuant to this Article 8, and any excess shall be paid to the Railroad. If such proceeds (plus such interest) shall be less than such cost, the Railroad will promptly pay to the Vendor an amount equal to such deficiency. The Railroad will pay all expenses incurred by the Vendor in connection with the purchase and sale of Investments.

If any unit of the Equipment is removed for repairs other than running repairs or becomes unsuitable or not necessary for continued use by the Railroad in the Railroad's business or operations, such occurrence shall, upon the election of the Railroad evidenced by written notice to the Vendor, constitute a Casualty Occurrence subject to the provisions of this Article 8; provided, however, that the Railroad shall direct any money paid to the Vendor in respect thereof to be applied only toward not more than 80% of the cost of replacement equipment and not to prepay any installment of CSA Indebtedness.

If one or more events of default shall have occurred and be continuing, all money held by the Vendor pursuant to this Article 8 (including, for this purpose, Investments) shall be applied by the Vendor as if such money were money received upon the sale of Equipment pursuant to Article 17 hereof.

In order to facilitate the sale or other disposition of any Equipment suffering a Casualty Occurrence, the Vendor shall, upon request of the Railroad, after payment by the Railroad of a sum equal to the Casualty Value of such Equipment, execute and deliver to the Railroad or the Railroad's vendee, assignee or nominee, a bill of sale (without warranties) for such Equipment, and such other documents as

may be required to release such Equipment from the terms and scope of this Agreement, in such form as may be reasonably requested by the Railroad.

The Railroad will at all times prior to the payment of the full indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon and all other payments required hereby, at its own expense, cause to be carried and maintained insurance in respect of the Equipment at the time subject hereto in amounts and against risks customarily insured against by railroad companies of similar financial condition and having similar operations on similar equipment, and in any event in amounts and against risks comparable to those insured against by the Railroad on similar equipment owned by it.

ARTICLE 9. Maintenance; Compliance with Laws and Rules. The Railroad will at all times maintain the Equipment or cause the Equipment to be maintained in good order and repair at its own expense, normal wear and tear excepted, and eligible (in the case of Equipment other than locomotives and cabooses) for interchange in accordance with the interchange rules of the Association of American Railroads.

During the term of this Agreement, the Railroad will at all times comply in all respects with all laws of the jurisdictions in which its operations involving the Equipment may extend, with the interchange rules of the Association of American Railroads and with all lawful rules of the Department of Transportation, Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Equipment, to the extent that such laws and rules affect the title, operation or use of the Equipment, and in the event that such laws or rules require any alteration or replacement of or addition to any part on any unit of the Equipment, the Railroad will conform therewith, at its own expense; provided, however, that the Railroad may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor under this Agreement.

ARTICLE 10. Reports and Inspections. On or before April 1 in each year, commencing with the year 1981, the Railroad shall furnish to the Vendor an accurate statement signed by an officer of the Railroad (a) setting forth as at the preceding December 31 the amount, description and numbers of all units of the Equipment that have suffered a Casualty Occurrence during the preceding 12 months (or since the date of this Agreement in the case of the first such statement) or

that have been withdrawn from use pending repairs (other than running repairs) and such other information regarding the condition and state of repair of the Equipment as the Vendor may reasonably request and (b) stating that, in the case of all Equipment repaired or repainted during the period covered by such statement, the numbers and markings required by Article 7 hereof have been preserved or replaced. The Vendor shall have the right, by its agents, to inspect the Equipment and the Railroad's records with respect thereto at such reasonable times as the Vendor may reasonably request during the term of this Agreement.

ARTICLE 11. Possession and Use. The Railroad, so long as an event of default shall not have occurred under this Agreement and be continuing, shall be entitled to the possession of the units of Equipment and the use thereof upon the lines of railroad owned or operated by it either alone or jointly with others and whether under lease or otherwise, or upon the lines of railroad owned or operated by any railroad company controlled by, or under common control with, the Railroad, or over which it has trackage rights, or upon connecting and other carriers in the usual interchange of traffic or pursuant to run-through agreements, from and after delivery of such units of Equipment by the Builder of such units to the Railroad, but only upon and subject to all the terms and conditions of this Agreement; provided, however, that the Railroad shall not be entitled to assign the Equipment for service involving the regular operation and maintenance thereof outside of the United States of America except in normal interchange.

ARTICLE 12. Prohibition Against Liens. The Railroad will pay or discharge any and all sums claimed by any party from, through or under the Railroad or its successors or assigns which, if unpaid, might become a lien, charge or security interest on or in the Equipment, or any unit thereof, equal or superior to the Vendor's interest therein; provided, however, that the Railroad shall be under no obligation to pay or discharge any such claim so long as it is contesting in good faith and by appropriate legal proceedings such claim and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor in or to the Equipment or otherwise under this Agreement. Any amounts paid by the Vendor in discharge of liens, charges or security interests upon the Equipment shall be secured by and under this Agreement.

This covenant will not be deemed breached by reason of liens for taxes, assessments or governmental charges or levies, in each case not due and delinquent, or undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or other like liens arising in the ordinary course of business and, in each case, not delinquent.

ARTICLE 13. Railroad's Indemnities. The Railroad agrees to indemnify, protect and hold harmless the Vendor from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including counsel fees, arising out of retention by the Vendor of title to and a security interest in the Equipment, the use and operation thereof by the Railroad during the period when title remains in the Vendor or the transfer of title to the Equipment by the Vendor pursuant to any of the provisions of this Agreement. This covenant of indemnity shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

ARTICLE 14. Patent Indemnities; Each Builder's Warranty of Material and Workmanship. Each Builder's indemnities with respect to patent infringement, its warranty of material and workmanship and the limitations of its liability with regard thereto are set forth in Schedule A hereto.

ARTICLE 15. Assignments. The Railroad will not sell, assign, transfer or otherwise dispose of its rights under this Agreement or, except as provided in Article 11 hereof, transfer the right to possession of any unit of the Equipment without first obtaining the written consent of the Vendor, which consent will not be unreasonably withheld. A sale, assignment, transfer or disposition to a solvent, Class 1 railroad company organized under the laws of the United States of America or any of the states thereof which shall acquire all or substantially all the lines of railroad of the Railroad, and which, by execution of an appropriate instrument satisfactory to the Vendor, shall assume and agree to perform each of, and all, the obligations and covenants of the Railroad under this Agreement, shall not be deemed a breach of this covenant and thereupon, the successor railroad company shall be for all purposes the "Railroad" hereunder.

All or any of the rights, benefits and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Railroad, may be assigned by the Vendor and reassigned by any assignee at any time or from time to time. No such assignment shall subject any assignee to, or relieve any Builder from, any of the obligations of such Builder to construct and deliver the Equipment in accordance with this Agreement or to respond to its warranties and indemnities contained or

referred to in Article 14 hereof, or relieve the Railroad of any of its obligations to such Builder under Articles 2, 3, 4, 5, 13 and 14 hereof, Schedule A hereto and this Article 15 or of any other obligation which, according to its terms or context, is intended to survive an assignment.

Upon any such assignment either the assignor or the assignee shall give written notice to the Railroad, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all the assignor's right, title and interest in and to the Equipment and this Agreement, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Railroad of the notification of any such assignment, all payments thereafter to be made by the Railroad under this Agreement to the Vendor shall, to the extent so assigned, be made to the assignee in such manner as it may direct.

The Railroad recognizes that it is the custom of railroad equipment manufacturers to assign conditional sale agreements and understands that the assignment of this Agreement, or of some of or all the rights of the Vendor hereunder, is contemplated. The Railroad expressly represents, for the purpose of assurance to any person, firm or corporation considering the acquisition of this Agreement or of all or any of the rights of the Vendor hereunder and for the purposes of inducing such acquisition, that in the event of such assignment by the Vendor as hereinbefore provided, the rights of such assignee to the entire unpaid indebtedness in respect of the Purchase Price or such part thereof as may be assigned, together with interest thereon, as well as any other rights hereunder which may be so assigned, shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever arising out of any breach of any obligation of a Builder with respect to the Equipment of such Builder or the manufacture, construction, delivery or warranty thereof, or with respect to any indemnity herein contained, nor subject to any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by a Builder. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Railroad against and only against the respective Builders.

The Railroad will (a) in connection with each settlement for the Equipment subsequent to such assignment, deliver to the assignee, at least five business days prior to the Clos-

ing Date for the Group fixed in the notice thereof given by the Railroad, all documents required by the terms of such assignment to be delivered to such assignee in connection with such settlement, in such number of counterparts or copies as may reasonably be requested, and (b) furnish to such assignee such number of counterparts of any other certificate or document required by the Vendor as may reasonably be requested.

If this Agreement shall have been assigned by the Builders and the assignee shall not make payment to a Builder with respect to units of the Equipment of such Builder as provided in the instrument making such assignment, such Builder will promptly notify the Railroad of such event and, if such amount shall not have been previously paid by such assignee, the Railroad will, not later than 60 days after the date such payment was due, pay or cause to be paid to such Builder the aggregate unpaid Purchase Price of such units of Equipment, together with interest from the day such payment was due to the date of payment by the Railroad at the highest prime rate of interest charged by any of the four New York City banks having the largest total assets in effect on the date such payment was due.

ARTICLE 16. Defaults. In the event that any one or more of the following events of default shall occur and be continuing, to wit:

(a) the Railroad shall fail to pay in full any indebtedness in respect of the Purchase Price of the Equipment or any other sum payable by the Railroad as provided in this Agreement within five days after payment thereof shall be due hereunder; or

(b) the Railroad shall, for more than 15 days after the Vendor shall have demanded in writing performance thereof, fail or refuse to comply with any covenant, agreement, term or provision of this Agreement, or of any agreement entered into concurrently herewith relating to the financing of the Equipment on its part to be kept or performed or to make provision satisfactory to the Vendor for such compliance; or

(c) a petition for reorganization under the Federal Bankruptcy Act or under any other provision of Title 11 of the United States Code, as now constituted or hereafter amended, shall be filed by or against the Railroad and, unless such petition shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only

so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been (and shall not continue to be) duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed in such proceedings in such manner that such obligations shall have the same status as expenses of administration and obligations incurred by such trustee or trustees, within 60 days after the filing of such petition, or in accordance with the provisions of 11 U.S.C. § 1168; or

(d) any proceeding shall be commenced by or against the Railroad for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustment of the obligations hereunder), and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been (and shall not continue to be) duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed for the Railroad or for its property in connection with any such proceedings in such manner that such obligations have the same status as expenses of administration and obligations incurred by such trustee or trustees or receiver or receivers, within 60 days after such proceedings shall have been commenced, or in accordance with the provisions of 11 U.S.C. § 1168; or

(e) the Railroad shall make or suffer any unauthorized assignment or transfer of this Agreement or any interest herein or any unauthorized transfer of the right to possession of any unit of the Equipment; or

(f) an event of default shall occur under the Other Agreement (defined in Item 4 of Schedule A hereto);

then at any time after the occurrence of such an event of default the Vendor may, upon written notice to the Railroad and upon compliance with any mandatory legal requirements then in force and applicable to such action by the Vendor,

declare (hereinafter called a "Declaration of Default") the entire indebtedness in respect of the Purchase Price of the Equipment, together with the interest thereon then accrued and unpaid, immediately due and payable, without further demand, and thereafter the aggregate of the unpaid balance of such indebtedness and interest shall bear interest from the date of such Declaration of Default at the rate per annum specified in Article 4 hereof as being applicable to amounts remaining unpaid after becoming due and payable, to the extent legally enforceable. The Vendor shall thereupon be entitled to recover judgment for the entire unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment so payable, with interest as aforesaid, and to collect such judgment out of any property of the Railroad wherever situated. The Railroad shall promptly notify the Vendor in writing of any event which has come to its attention which constitutes, or which with the giving of notice and/or lapse of time could constitute, an event of default under this Agreement and of what action, if any, the Railroad has taken or proposes to take to remedy such event of default or event.

The Vendor may at its election waive any such event of default and its consequences and rescind and annul any Declaration of Default by notice to the Railroad in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such event of default had occurred and no Declaration of Default had been made. Notwithstanding the provisions of this paragraph, it is expressly understood and agreed by the Railroad that time is of the essence of this Agreement and that no such waiver, rescission or annulment shall extend to or affect any other or subsequent default or impair any rights or remedies consequent thereon.

ARTICLE 17. Remedies. At any time during the continuance of a Declaration of Default, the Vendor may, subject to compliance with any mandatory legal requirements then in force and applicable to the action to be taken by the Vendor, take or cause to be taken by its agent or agents immediate possession of the Equipment, or one or more of the units thereof, without liability to return to the Railroad any sums theretofore paid and free from all claims whatsoever, except as hereinafter in this Article 17 expressly provided, and may remove the same from possession and use of the Railroad or

any other person and for such purpose may enter upon the Railroad's premises or any other premises where the Equipment may be located (without judicial process if this can be done without breach of the peace) and may use and employ in connection with such removal any supplies, services and aids and any available trackage and other facilities or means of the Railroad.

In case the Vendor shall demand possession of the Equipment pursuant to this Agreement and shall reasonably designate a point or points upon the premises of the Railroad for the delivery of the Equipment to the Vendor, the Railroad shall, at its own expense, forthwith and in the usual manner (including, but not by way of limitation, giving prompt telegraphic and written notice to the Association of American Railroads and all railroads to which any part of the Equipment has been interchanged to return the Equipment so interchanged), cause (a) the Equipment to be moved to such point or points on its lines as shall be designated by the Vendor and shall there deliver the Equipment or cause it to be delivered to the Vendor and (b) the Equipment to be moved to such interchange point or points of the Railroad as shall be designated by the Vendor upon any sale, lease or other disposal of all or any part of the Equipment by the Vendor. At the option of the Vendor, the Vendor may keep the Equipment on any of the lines or premises of the Railroad until the Vendor shall have leased, sold or otherwise disposed of the same, and for such purpose the Railroad agrees to furnish, without charge for rent, storage or insurance (which the Railroad agrees to maintain as herein provided), the necessary facilities at any point or points selected by the Vendor reasonably convenient to the Railroad, to provide proper maintenance for the Equipment during such storage and to permit inspection of the Equipment by the Vendor, the Vendor's representatives and prospective purchasers and users. This agreement to deliver the Equipment and furnish facilities as hereinbefore provided is of the essence of the agreement between the parties, and, upon application to any court of equity having jurisdiction in the premises, the Vendor shall be entitled to a decree against the Railroad requiring specific performance hereof. The Railroad hereby expressly waives any and all claims against the Vendor and its agent or agents for damages of whatever nature in connection with any retaking of any unit of the Equipment in any reasonable manner.

At any time during the continuance of a Declaration of Default, the Vendor (after retaking possession of the

Equipment as hereinbefore in this Article 17 provided) may at its election and upon such notice as is hereinafter set forth retain the Equipment in satisfaction of the entire indebtedness in respect of the Purchase Price of the Equipment and make such disposition thereof as the Vendor shall deem fit. Written notice of the Vendor's election to retain the Equipment shall be given to the Railroad by telegram or registered mail, addressed as provided in Article 21 hereof, and to any other persons to whom the law may require notice, within 30 days after such Declaration of Default. In the event that the Vendor should elect to retain the Equipment and no objection is made thereto within the 30-day period described in the second proviso below, all the Railroad's rights in the Equipment shall thereupon terminate and all payments made by the Railroad may be retained by the Vendor as compensation for the use of the Equipment by the Railroad; provided, however, that if the Railroad, before the expiration of the 30-day period described in the proviso below, should pay or cause to be paid to the Vendor the total unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement as well as expenses of the Vendor in retaking possession of, removing, maintaining and storing the Equipment and the Vendor's reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad; provided, further, that if the Railroad or any other person notified under the terms of this paragraph objects in writing to the Vendor within 30 days from the receipt of notice of the Vendor's election to retain the Equipment, then the Vendor may not so retain the Equipment, but shall sell, lease or otherwise dispose of it or continue to hold it pending sale, lease or other disposition as hereinafter provided or as may otherwise be permitted by law. If the Vendor shall have given no notice to retain as hereinabove provided or notice of intention to dispose of the Equipment in any other manner, it shall be deemed to have elected to sell the Equipment in accordance with the provisions of this Article 17.

At any time during the continuance of a Declaration of Default, the Vendor, with or without retaking possession thereof, at its election and upon reasonable notice to the Railroad and to any other persons to whom the law may require notice of the time and place, may sell the Equipment, or any unit thereof, free from any and all claims of the Railroad or any other party claiming from, through or under the Railroad,

at law or in equity, at public or private sale and with or without advertisement as the Vendor may determine; provided, however, that if, prior to such sale and prior to the making of a contract for such sale, the Railroad should tender full payment of the total unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement as well as expenses of the Vendor in retaking possession of, removing, storing, maintaining, holding and preparing the Equipment for, and otherwise arranging for, the sale and the Vendor's reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad. The proceeds of such sale, less the attorneys' fees and any other expenses incurred by the Vendor in retaking possession of, removing, storing, maintaining, holding, preparing for sale and selling the Equipment, shall be credited on the amount due to the Vendor under the provisions of this Agreement.

Any sale hereunder may be held or conducted at such place or places and at such time or times as the Vendor may specify, in one lot and as an entirety or in separate lots and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Vendor may determine. The Vendor or the Railroad may bid for and become the purchaser of the Equipment, or any unit thereof, so offered for sale. The Railroad shall be given written notice of such sale not less than 10 days prior thereto, by telegram or registered mail addressed to the Railroad as provided in Article 21 hereof. If such sale shall be a private sale (which shall be deemed to mean only a sale where an advertisement for bids has not been published in a newspaper of general circulation or a sale where less than 40 railroads have been solicited in writing to submit bids), it shall be subject to the right of the Railroad to purchase or provide a purchaser, within 10 days after notice of the proposed sale price, at the same price offered by the intending purchaser or a better price. In the event that the Vendor shall be the purchaser of the Equipment, it shall not be accountable to the Railroad (except to the extent of surplus money received as hereinafter provided in this Article 17), and in payment of the purchase price therefor the Vendor shall be entitled to have credited on account thereof all or any part of the sums due to the Vendor from the Railroad hereunder.

Each and every power and remedy hereby specifically given to the Vendor shall be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Vendor. All such powers and remedies shall be cumulative, and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Vendor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder shall impair any such power or remedy or shall be construed to be a waiver of any default or an acquiescence therein. Any extension of time for payment hereunder or other indulgence duly granted to the Railroad shall not otherwise alter or affect the Vendor's rights or the Railroad's obligations hereunder. The Vendor's acceptance of any payment after it shall have become due hereunder shall not be deemed to alter or affect the Railroad's obligations or the Vendor's rights hereunder with respect to any subsequent payments or default therein.

If, after applying all sums of money realized by the Vendor under the remedies herein provided, there shall remain any amount due to it under the provisions of this Agreement, the Railroad shall pay the amount of such deficiency to the Vendor upon demand, together with interest from the date of such demand to the date of payment by the Railroad at the rate per annum set forth in Article 4 hereof applicable to amounts remaining unpaid after becoming due and payable. If the Railroad shall fail to pay such deficiency, the Vendor may bring suit therefor and shall be entitled to recover a judgment therefor against the Railroad. If, after applying as aforesaid all sums realized by the Vendor, there shall remain a surplus in the possession of the Vendor, such surplus shall be paid to the Railroad.

The Railroad will pay all reasonable expenses, including attorneys' fees, incurred by the Vendor in enforcing its remedies under the terms of this Agreement. In the event that the Vendor shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Vendor may recover reasonable expenses, including attorneys' fees, and the amount thereof shall be included in such judgment.

The foregoing provisions of this Article 17 are subject in all respects to all mandatory legal requirements at the time in force and applicable thereto.

ARTICLE 18. Applicable State Laws. Any provision of this Agreement prohibited by any applicable law of any jurisdiction shall as to such jurisdiction be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby waived by the Railroad to the full extent permitted by law, it being the intention of the parties hereto that this Agreement shall be deemed to be a conditional sale and enforced as such.

Except as otherwise provided in this Agreement, the Railroad, to the full extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of or to sell or lease the Equipment or any unit thereof, and any other requirements as to the time, place and terms of the sale or lease thereof, any other requirements with respect to the enforcement of the Vendor's rights under this Agreement and any and all rights of redemption.

ARTICLE 19. Recording. The Railroad will cause this Agreement, any assignments hereof and any amendments or supplements hereto or thereto to be filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303; and the Railroad will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, deposit and record any and all further instruments required by law or reasonably requested by the Vendor for the purpose of proper protection, to the satisfaction of counsel for the Vendor, of its interest in the Equipment and its rights under this Agreement or for the purpose of carrying out the intention of this Agreement; and the Railroad will promptly furnish to the Vendor certificates or other evidence of such filing, registering, depositing and recording satisfactory to the Vendor.

ARTICLE 20. Payment of Expenses. The Railroad will pay all reasonable costs and expenses (other than the fees and expenses of counsel for the Builders) incident to this Agreement and the first assignment of this Agreement (including the fees and expenses of an agent, if the first assignee is an agent), and any instrument supplemental or related hereto or thereto, including all fees and expenses of Messrs. Cravath, Swaine & Moore, special counsel for the first assignee of this Agreement and for any party acquiring interests in such first assignment, and all reasonable costs

and expenses in connection with the transfer by any party of interests acquired in such first assignment, but excluding all fees and expenses of any other counsel for such parties.

ARTICLE 21. Notice. Any notice hereunder to any of the parties designated below shall be deemed to be properly served if delivered or mailed to it at its chief place of business at the following specified addresses:

(a) to the Railroad, at 210 North 13th Street, St. Louis, Missouri 63103, Attention of C. J. Maurer, Treasurer;

(b) to a Builder, at its address specified in Item 1 of Schedule A hereto; and

(c) to any assignee of the Vendor or of the Railroad, at such address as may have been furnished in writing to each of the other parties hereto by such assignee;

or at such other address as may have been furnished in writing by such party to the other parties to this Agreement.

ARTICLE 22. Article Headings; Effect and Modification of Agreement. All article headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

This Agreement, including the Schedules hereto, exclusively states the rights of the Vendor and the Railroad with respect to the Equipment and supersedes all other agreements, oral or written, with respect to the Equipment. No variation or modification of this Agreement and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Vendor and the Railroad.

ARTICLE 23. Law Governing. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the State of Missouri; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303 and such additional rights arising out of the filing, recording or deposit hereof, if any, and of any assignment hereof as shall be conferred by the laws of the several jurisdictions in which this Agreement

or any assignment hereof shall be filed, recorded or deposited, or in which any unit of the Equipment shall be located, and any rights arising out of the marking of the units of Equipment as provided in Article 7 hereof.

ARTICLE 24. Execution. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart. It shall not be necessary that any counterpart be signed by all the parties. Each Builder shall be bound hereunder notwithstanding the failure of any other Builder to execute and deliver this Agreement or to perform its obligations hereunder. Although this Agreement is dated, for convenience, as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by their officers or other persons, thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, all as of the date first above written.

MISSOURI PACIFIC RAILROAD COMPANY,

by

M. M. Hennelley
Vice President

[Corporate Seal]

Attest:

W. J. Herold
Assistant Secretary

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

by

P. K. Hoglund
Vice President

[Corporate Seal]

Attest:

W. J. Scott
Assistant Secretary

GENERAL ELECTRIC COMPANY,

by M. S. Richardson
General Manager-Locomotive Operations

[Corporate Seal]

Attest:

J. T. Hughes
Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by R. K. Smith
Vice President

[Corporate Seal]

Attest:

M. Hemphill, Jr.
Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by Walter A. Dahl
Vice President

[Corporate Seal]

Attest:

R. W. Polster
~~Assistant~~ Secretary

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this 11th day of April 1980, before me personally appeared M. M. Hennelley , to me personally known, who, being by me duly sworn, says that he is a Vice President of MISSOURI PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Joann Sanders
Notary Public

[Notarial Seal]

My Commission expires
9/10/82

Joann Sanders
Notary Public, State of Missiouri
My Commission Expires Sept. 10, 1982
City of St. Louis

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 8th day of April 1980, before me personally appeared P. K. Hoglund , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

T. K. Piorecki
Notary Public

[Notarial Seal]

My Commission expires

September 18, 1983

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this 9th day of April 1980, before me personally appeared M. S. Richardson , to me personally known, who, being by me duly sworn, says that he is a General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

Judy Crandall
Notary Public
Judy Crandall, Notary Public
Lawrence Park Twp., Erie County
Pennsylvania
My Commission Expires Jan. 16, 1984

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this 10thday of April 1980, before me personally appeared R. K. Smith , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

Evelyn S. Weeks
Notary Public
My Commission Expires
City of Bethlehem
Lehigh County
October 13, 1982

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this 14th day of April 1980, before me personally appeared W. A. Dahl , to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

L. W. Moffett
Notary Public

My Commission expires

Oct. 14, 1982

L.W. Moffett, Notary Public
City of Washington, District of Columbia
My Commission Expires October 14, 1982

SCHEDULE A

to

Conditional Sale Agreement
Dated as of March 1, 1980

Item 1: (a) General Motors Corporation (Electro-Motive Division), a Delaware corporation La Grange, Illinois 60525.

(b) General Electric Company, a New York corporation, 2901 East Lake Road, Erie Pennsylvania 16531.

(c) Bethlehem Steel Corporation, a Delaware corporation, Bethlehem, Pennsylvania 18016, attention of Manager of Railroad Products Sales.

(d) Fruit Growers Express Company, a Delaware corporation, 1101 Vermont Avenue, N.W., Washington, D.C. 20005, attention of the President.

Item 2: [Warranty of Materials and Workmanship] (a) General Motors Corporation (Electro-Motive Division) ("GM") warrants that its Equipment is of the kind and quality described in, or will be built in accordance with, the Specifications therefor referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and is suitable for the ordinary purposes for which such Equipment is used and warrants each unit of its Equipment to be free from defects in material and workmanship which may develop under normal use and service within two years from date of delivery of such unit or before such unit has been operated 250,000 miles, whichever event shall first occur. GM agrees to correct such defects, which examination shall disclose to its satisfaction to be defective, by repair or replacement F.O.B. factory and such correction shall constitute fulfillment of its obligation with respect to such defect under this warranty.

GM warrants specialties not of its own specification or design to the same extent that the suppliers of such specialties warrant such items to GM.

THERE ARE NO WARRANTIES WITH RESPECT TO MATE-

RIAL AND WORKMANSHIP, EXPRESSED OR IMPLIED, MADE BY GM EXCEPT THE WARRANTIES SET OUT ABOVE.

GM further agrees with the railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of the Equipment as provided in said Article 3 shall be deemed a waiver or modification by the Railroad of any of its rights under this Item 2(a).

(b) General Electric Company ("GE") warrants to the Railroad that each unit of Equipment manufactured by it hereunder will be free from defects in material, workmanship and title under normal use and service, and will be of the kind and quality designated or described in the Specifications referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement"). The foregoing warranty is exclusive and in lieu of all other warranties, whether written, oral, implied or statutory (except as to title). NO WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR PURPOSE SHALL APPLY. If it appears within two years from the date of shipment by GE, or within 250,000 miles of operation, whichever event shall first occur, that the Equipment delivered by GE under the Agreement does not meet the warranties specified above, and the Railroad notifies GE promptly, GE, after verification as to condition and usage, shall correct any defect including nonconformance with the Specifications, at its option, either by repairing any defective part or parts made available to GE, or by making available at GE's plant or warehouse a repaired or replacement part. If requested by GE, the Railroad will ship the defective part or parts, with shipping charges prepaid, to the plant or warehouse designated by GE. The foregoing shall constitute the sole remedy of the Railroad and the sole liability of GE in respect of the foregoing.

The liability of GE to the Railroad hereunder (except as to title) arising out of the supplying of any unit of its Equipment or its use, whether on warranty, contract or negligence, shall not in any case exceed the cost of correcting defects in its Equipment as herein provided, and upon the expira-

tion of the warranty period specified above, all such liability shall terminate. GE shall have no liability for any unit of its Equipment or part thereof which becomes defective by reason of improper storage or application, misuse, negligence, accident or improper operation, maintenance, repairs or alterations on the part of the Railroad, or any third party other than GE. In no event, whether as a result of breach of contract, warranty, tort (including negligence) or otherwise, shall GE or its suppliers be liable for any special, consequential, incidental or penal damages including, but not limited to, loss of profits or revenues, loss of the use of its Equipment or any associated equipment, damage to the associated equipment, cost of capital, cost of substitute products, facilities, services or replacements, downtime costs or claims of customers of the Railroad for such damages.

It is understood that GE has the right to make any changes in design and add improvements to equipment at any time without incurring any obligations to install, at GE's expense, the same on other equipment sold by GE.

THERE ARE NO WARRANTIES WITH RESPECT TO MATERIAL AND WORKMANSHIP, EXPRESSED OR IMPLIED, MADE BY GE EXCEPT THE WARRANTIES SET OUT ABOVE.

(c) Bethlehem Steel Corporation ("Bethlehem") warrants that its Equipment will be built in accordance with the Specifications and the standards and requirements set forth in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and warrants its Equipment will be free from defects in material (except as to specialties incorporated therein specified or supplied by the Railroad and not manufactured by Bethlehem) and workmanship under normal use and service, Bethlehem's obligation under this item 2(c) being limited to making good at its plant any part or parts of any unit of its Equipment which shall, within one year after the delivery of such unit to the Railroad, be returned to Bethlehem with transportation charges prepaid and which Bethlehem's examination shall disclose to its satisfaction to have been thus

defective.

The foregoing warranty of Bethlehem is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose, and Bethlehem neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment, except for the patent indemnification included in Item 3 of this Schedule A to the Agreement as aforesaid. It is further understood that in no event shall Bethlehem be liable for indirect or consequential damages of any kind.

Bethlehem further agrees with the Railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of its Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 2(c).

(d) Fruit Growers Express Company ("Fruit Growers") warrants that its Equiment will be built in accordance with the Specifications and the standards and requirements referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and warrants its Equipment will be free from defects in material (except as to specialties incorporated therein and workmanship with respect thereto specified by the Railroad and not manufactured by Fruit Growers) and workmanship under normal use and service. Fruit Growers' liability under this Item 3(d) is limited to repair or replacement at its plant of any part or parts of any unit of its Equipment which shall, within one year after the delivery of such unit of its Equipment to the Railroad (or, in the case of patent defects, within 10 days after delivery), be returned to Fruit Growers with transportation charges prepaid and which examination by Fruit Growers shall disclose to its satisfaction to have been thus defective. Any unit of its Equipment repaired, replaced or altered outside of Fruit Growers' plant, the repair, replacement or alteration of which in Fruit Growers' judgment has adversely affected in any way the strength

and performance of such unit of its Equipment, is removed from this warranty. In no event shall Fruit Growers be liable to anyone for any incidental, special or consequential damages of any kind. The foregoing waranty is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability of fitness for a particular purpose, and Fruit Growers neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment, except for the patent indemnification included in Item 3 of this Schedule A to the Agreement.

Fruit Growers further agrees with the Railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of its Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 3(d).

Item 3: [Patent Indemnities] GM, GE, Bethlehem and Fruit Growers each severally agrees as follows:

Except in cases of articles or materials specified by the Railroad and not manufactured by such Builder and in cases of designs, systems, processes, formulae or combinations specified by the Railroad and not developed or purported to be developed by such Builder, each Builder agrees to indemnify, protect and hold harmless the Railroad from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Railroad, its assigns or the users of the Equipment of such Builder because of the use in or about the construction or operation of any of such Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Railroad likewise will indemnify, protect and hold harmless the Vendor from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against

the Vendor because of the use in or about the construction or operation of any of the Equipment of any article or material specified by the Railroad and not manufactured by the Builder of such Equipment or of any design, system, process, formula or combination specified by the Railroad and not developed or purported to be developed by such Builder which infringes or is claimed to infringe on any patent or other rights. Each Builder agrees to and hereby does, to the extent legally possible without impairing any claim, right or cause of action hereinafter referred to, assign, set over and deliver to the Railroad every claim, right and cause of action which such Builder has or hereafter shall have against the seller or sellers of any designs, systems, processes, formulae, combination, articles or materials specified by the Railroad and purchased or otherwise acquired by such Builder for use in or about the construction or operation of any of the Equipment of such Builder on the ground that any such design, system, process, formula, combination, article or material or operation thereof infringes or is claimed to infringe on any patent or other right. Each Builder further agrees to execute and deliver to the Railroad or the users of the Equipment of such Builder all and every such further assurance as may be reasonably requested by the Railroad more fully to effectuate the assignment and delivery of every such claim, right and cause of action. Each Builder will give notice to the Railroad of any claim known to such Builder from which liability may be charged against the Railroad hereunder and the Railroad will give notice to such Builder of any claim known to the Railroad from which liability may be charged against the Builder hereunder. Such covenants of indemnity shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

Item 4: The Construction and Conditional Sale Agreement dated as of March 1, 1980, between the Railroad and the Agent (the "Other Agreement").

SCHEDULE B

Builder	Type	AAR Mechanical Designation	Builder's Specifications	Builder's Plant	Quantity	Unit Base Price	Total Base Price	Road Numbers (Inclusive)	Estimated Time of Delivery at Builder's Plant
General Motors Corporation (Electro-Motive Division)	SD-40-2 3,000 h.p. diesel electric loco-motives	CC	8087	McCook, Illinois	10	$698,237	$6,982,730	MP 3312-3321	April 1980
General Motors Corporation (Electro-Motive Division)	SD-40-2C 3,000 h.p. diesel electric loco-motives	CC	8087	McCook, Illinois	20	743,423	14,868,460	MP 6054-6073	April 1980
General Motors Corporation (Electro-Motive Division)	GP-38-2 2,000 h.p. diesel electric loco-motives	BB	8090	McCook, Illinois	5	582,233	2,911,165	MP 2198-2202	July 1980
General Electric Company	B-23-7 2,250 h.p. diesel electric loco-motives	BB	3530-D	Erie, Pa.	20	589,514	11,790,280	MP 4650-4669	April-June 1980

SCHEDULE B (Cont'd)

Builder	Type	AAR Mechanical Designation	Builder's Specifications	Builder's Plant	Quantity	Unit Base Price	Total Base Price	Road Numbers (Inclusive)	Estimated Time of Delivery at Builder's Plant
Bethlehem Steel Corporation	100-ton Open-top quad hopper cars	HT	DF 3400-520	Johns-town, Pa.	500	$41,109	$20,554,500	MP 582500-582999	May-July 1980
Fruit Growers Express Company	100-ton box cars	XP	S-467	Alexandria, Va.	28	76,400	2,139,200	MP 269431-269458	July 1980
					Total		$59,246,335		

EXHIBIT B

AGREEMENT AND ASSIGNMENT, dated as of March 1, 1980, between MERCANTILE TRUST COMPANY, N.A., acting as Agent under a Finance Agreement dated as of the date hereof (the "Finance Agreement") (said Agent, so acting, being hereinafter called the "Assignee"), and each of GENERAL MOTORS CORPORATION (Electro-Motive Division), GENERAL ELECTRIC COMPANY, BETHLEHEM STEEL CORPORATION and FRUIT GROWERS EXPRESS COMPANY (hereinafter called collectively the "Builders" or severally the "Builder").

The Builders and Missouri Pacific Railroad Company (the "Railroad") have entered into a Conditional Sale Agreement dated as of the date hereof (the "CSA") covering the construction, sale and delivery, on the conditions therein set forth, by the Builders, severally, and the purchase by the Railroad of the railroad equipment described in Schedule B to the CSA (said equipment being hereinafter called the "Equipment" and the Equipment constructed, sold and delivered by each Builder being hereinafter sometimes called "such Builder's Equipment" or "its Equipment").

NOW, THEREFORE, THIS AGREEMENT AND ASSIGNMENT WITNESSETH: That, in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration paid by the Assignee to each Builder, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained:

SECTION 1. Each Builder hereby assigns, transfers and sets over unto the Assignee, its successors and assigns:

(a) all the right, title and interest of such Builder in and to each unit of its Equipment when and as severally delivered to and accepted by the Railroad, subject to payment by the Assignee to such Builder of the amount required to be paid to such Builder under Section 4 hereof;

(b) all the right, title and interest of such Builder in and to the CSA (except the right to construct and deliver such Builder's Equipment and the right to receive the payments specified in the third paragraph

of Article 3 thereof, in subparagraph (a) of the fourth paragraph of Article 4 thereof, and in the last paragraph of Article 15 thereof and reimbursements for taxes paid or incurred by such Builder as provided in Article 5 thereof), and in and to any and all amounts which may be or become due or owing by the Railroad to such Builder under the CSA in respect of the Purchase Price (as defined in the CSA) of the Equipment and interest thereon, and in and to any other sums becoming due from the Railroad under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) hereof, all such Builder's rights, powers, privileges and remedies under the CSA;

without any recourse against such Builder for or on account of the failure of the Railroad to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify, the liability of such Builder to construct and deliver its Equipment in accordance with the CSA or with respect to its obligations contained or referred to in Article 14 of the CSA, or relieve the Railroad from its obligations to such Builder contained or referred to in Articles 2, 3, 4, 5, 13, 14 and 15 of the CSA, it being understood and agreed that, notwithstanding this Assignment, or any subsequent assignment pursuant to the provisions of Article 15 of the CSA all obligations of such Builder to the Railroad with respect to such Builder's Equipment shall be and remain enforceable by the Railroad, its successors and assigns, against and only against such Builder. In furtherance of the foregoing assignment and transfer, each Builder hereby authorizes and empowers the Assignee, in the Assignee's own name or in the name of the Assignee's nominee, or in the name of and as attorney hereby irrevocably constituted for such Builder, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Assignee is or may become entitled under this Assignment and to ask, demand, sue for and enforce compliance by the Railroad with the terms and agreements on its part to be performed under the CSA, but at the expense and liability and for the sole benefit of the Assignee.

SECTION 2. Each Builder agrees that it shall construct its Equipment in full accordance with the CSA and

will deliver the same upon completion to the Railroad in accordance with the provisions of the CSA; and that, notwithstanding this Assignment, it will perform and fully comply with each of and all the covenants and conditions of the CSA set forth to be performed and complied with by such Builder. Each Builder further agrees that it will warrant to the Assignee and the Railroad that at the time of delivery of each unit of the Equipment of such Builder under the CSA it had legal title to such unit and good and lawful right to sell such unit and that title to such unit was free of all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment); and each Builder further agrees that it will defend the title to each unit of its Equipment against the demands of all persons whomsoever based on claims originating prior to the delivery of such unit by such Builder under the CSA; all subject, however, to the provisions of the CSA and the rights of the Railroad thereunder. No Builder will deliver any of its Equipment to the Railroad under the CSA until the filings and recordations referred to in Article 19 of the CSA have been effected (the respective Builders and their counsel being entitled to rely on advice from special counsel for the Assignee that such filings and recordations have been effected).

SECTION 3. Each Builder agrees with the Assignee that in any suit, proceeding or action brought by the Assignee under the CSA for any installment of, or interest on, indebtedness in respect of the Purchase Price of its Equipment or to enforce any provision of the CSA, such Builder will indemnify, protect and hold harmless the Assignee from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever of the Railroad arising out of a breach by such Builder of any obligation with respect to the Equipment of such Builder or the manufacture, construction, delivery or warranty thereof, or by reason of any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by such Builder. Each Builder's obligation so to indemnify, protect and hold harmless the Assignee is conditional upon (a) the Assignee's timely motion or other appropriate action, on the basis of Article 15 of the CSA, to strike any defense, setoff, counterclaim or recoupment asserted by the Railroad in any such suit, proceeding or action and (b) if the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and accepts such defense, setoff, counterclaim or recoupment as a triable issue in such suit,

proceeding or action, the Assignee's prompt notification to such Builder of the asserted defense, setoff, counterclaim or recoupment and the Assignee's giving such Builder the right, at such Builder's expense, to compromise, settle or defend against such defense, setoff, counterclaim or recoupment.

Except in cases of articles or materials specified by the Railroad and not manufactured by such Builder and in cases of designs, systems, processes, formulae or combinations specified by the Railroad and not developed or purported to be developed by such Builder, each Builder agrees, except as otherwise specifically provided in the CSA, to indemnify, protect and hold harmless the Assignee from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Assignee or its assigns because of the use in or about the construction or operation of any of its Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Assignee will give prompt notice to the appropriate Builder of any such liability or claim actually known to the Assignee and will give such Builder the right, at such Builder's expense, to compromise, settle or defend against such claim. Each Builder agrees that any amounts payable to it by the Railroad with respect to its Equipment, whether pursuant to the CSA or otherwise, not hereby assigned to the Assignee, and amounts payable to the Builder pursuant to supplemental invoices shall not be secured by any lien, charge or security interest upon the Equipment of such Builder or any unit thereof.

SECTION 4. The Assignee, on each Closing Date fixed as provided in Article 4 of the CSA with respect to a Group (as defined in said Article 4) of the Equipment, shall pay to the Builder whose Equipment shall be included in such Group and to each Builder which shall submit a supplemental invoice for settlement on such Closing Date as contemplated in Article 4 of the CSA an amount equal to the portion of the Purchase Price of such Builder's Equipment as shown on the invoice therefor then being settled for which, under the terms of said Article 4, is payable in installments, provided that there shall have been delivered to the Assignee, as provided in Article 15 of the CSA, at least five business days (as defined in said Article 4) prior to such Closing Date, the following documents, in form and scope satisfactory to it and to its special counsel hereinafter mentioned, in

such number of counterparts as may be reasonably requested by said special counsel:

(a) a bill of sale from such Builder to the Assignee confirming the transfer to the Assignee of all right, title and interest of such Builder in such Builder's Equipment in such Group, warranting to the Assignee and to the Railroad that at the time of delivery of such units under the CSA such Builder had legal title to such units and good and lawful right to sell such units and that such units were free of all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment), and covenanting to defend the title to such units against the demands of all persons whomsoever based on claims originating prior to the delivery of such units by such Builder under the CSA;

(b) a Certificate or Certificates of Acceptance with respect to the units of such Builder's Equipment in such Group as contemplated by Article 3 of the CSA;

(c) an invoice of such Builder for the units of such Builder's Equipment in such Group and any supplemental invoice for which settlement is then being made, in each case accompanied by or having endorsed thereon a certification by the Railroad as to the correctness of the prices stated therein;

(d) an opinion of Messrs. Cravath, Swaine & Moore, who are acting as special counsel for the Assignee and the Investors named in the Finance Agreement, dated as of such Closing Date, to the effect that (i) the Finance Agreement, assuming due authorization, execution and delivery by such Investors, has been duly authorized, executed and delivered and is a legal, valid, binding and enforceable instrument, (ii) the CSA has been duly authorized, executed and delivered by the Railroad and such Builder and is a legal, valid and binding instrument, enforceable in accordance with its terms, (iii) this Assignment has been duly authorized, executed and delivered by such Builder and is a legal, valid, binding and enforceable instrument, (iv) the Assignee is vested with all the rights, titles, interests, powers and privileges purported to be assigned to it by this Assignment, (v) the Assignee has title to and a valid and perfected security interest in the units of the Equipment in such Group and such units, at the time of delivery thereof to the Rail-

road under the CSA, were free from all claims, liens, security interests and other encumbrances (other than those created by the CSA), (vi) no approval of the Interstate Commerce Commission or any other governmental authority is necessary for the valid execution and delivery of the Finance Agreement, the CSA, this Assignment or the Railroad's Consent hereto, (vii) the CSA and this Assignment have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 and no other filing or recordation is necessary for the protection of the rights of the Assignee in any state of the United States of America or in the District of Columbia and (viii) registration of the CSA, this Assignment or any certificates of interest delivered pursuant to the Finance Agreement is not required under the Securities Act of 1933, as amended, and qualification of an indenture with respect thereto is not required under the Trust Indenture Act of 1939, as amended; such opinion shall also state that said counsel have examined the opinions being delivered on such Closing Date pursuant to subparagraphs (e) and (f) of this Section 4, that such opinions are satisfactory in form and scope to said counsel and that said counsel believe that the Assignee and Investors are justified in relying thereon; and such opinion shall also cover such other matters including the applicability of 11 U.S.C. § 1168 to the Equipment and any substitutes thereof, as may reasonably be requested by the Assignee or any such Investor;

(e) an opinion of counsel for the Railroad, dated as of such Closing Date, to the effect set forth in clauses (i), (ii), (v), (vi) and (vii) of subparagraph (d) above (said counsel, in rendering such opinion, being permitted to assume due authorization, execution and delivery of the Finance Agreement and this Agreement by parties thereto other than the Railroad) and stating that (i) the Railroad is a duly organized and existing corporation in good standing under the laws of its jurisdiction of incorporation and has the full power and authority to own its properties and to carry on its business as conducted on the date thereof, (ii) this Assignment is a legal, valid, binding and enforceable instrument, and (iii) the execution and delivery by the Railroad of the CSA and the Finance Agreement do not violate any provision of any law, any order of any court or governmental agency, the charter or By-laws of the Railroad, or any indenture, agreement, or other instrument to which the Railroad is a party or by which it, or any of its property is bound, and will not be in conflict with, result in the breach of, or constitute, with due notice or lapse of time or both, a default under, any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Railroad.*

(f) an opinion of counsel for such Builder, dated as of such Closing Date, to the effect set forth in clause (iv) of subparagraph (d) above in respect of its Equipment insofar as such matters relate to such Builder and stating that (i) such Builder is a duly organized and existing corporation in good standing under the laws

* except that the interest or equity of the Railroad in or to the Equipment is subject to the Railroad's First Mortgage and General (Income) Mortgage, both dated January 1, 1955, both of which are subject to and subordinate to the CSA.

of its jurisdiction of incorporation and has the power and authority to own its properties and to carry on its business as conducted on the date thereof, (ii) the CSA has been duly authorized, executed and delivered by such Builder and, assuming due authorization, execution and delivery by the other parties thereto, is a legal and valid instrument binding upon such Builder and enforceable against such Builder in accordance with its terms, (iii) this Assignment has been duly authorized, executed and delivered by such Builder and, assuming due authorization, execution and delivery by the other parties thereto, is a legal, valid, binding and enforceable instrument binding upon such Builder and (iv) the bill of sale delivered by such Builder on such Closing Date is effective to confirm the transfer of the Builder's right, title and interest in the units of the Equipment in such Group to the Assignee and such units, at the time of delivery thereof to the Railroad under the CSA, were free from all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment);

(g) a certificate of the senior financial officer of the Railroad, dated as of such Closing Date, to the effect that (i) to the best of his knowledge and belief, no event of default, or event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default, shall have occurred and is then continuing, (ii) no Federal tax liens (including tax liens filed pursuant to Section 6323 of the Internal Revenue Code of 1954, as amended) and to the best of his knowledge and belief no other tax liens have been filed and are currently in effect which would adversely affect the security interest of the Assignee in the Equipment; and (iii) to the best of his knowledge and belief, the Railroad has not been in default as to principal and interest payments during the five years preceding the Closing Date;

(h) a receipt from such Builder for any payment (other than the payment being made by the Assignee pursuant to the first paragraph of this Section 4) required to be made on such Closing Date to such Builder with respect to the Equipment, unless such payment is made by the Assignee with funds furnished to it for that purpose by the Railroad;

provided, however, that with respect to Equipment for which

a Final Supplemental Invoice (as defined in the CSA) is submitted by any Builder as permitted by Article 4 of the CSA, the only documents which must be delivered to the Assignee are those required by subparagraphs (c) and (h) of this Section 4.

In giving the opinions specified in subparagraphs (d), (e) and (f) of the first paragraph of this Section 4, counsel may qualify any opinion to the effect that any agreement is a legal, valid and binding instrument enforceable in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally. In giving the opinion specified in said subparagraphs (d) and (e), counsel may rely on the opinion of counsel for such Builder as to authorization, execution and delivery by such Builder of the documents executed by such Builder and as to title to the Equipment of such Builder at the time of delivery thereof under the CSA; and in giving the opinion specified in said subparagraph (d), counsel may rely as to any matter governed by the law of any jurisdiction other than New York or the United States on the opinion of counsel for the Railroad as to such matter; and in giving the opinion specified in said subparagraph (e), counsel may rely on the bill of sale and opinion of counsel for such Builder as to claims, liens, security interests and other encumbrances arising from, through or under such Builder.

The obligation of the Assignee hereunder to make any payment provided for in this Section 4 is hereby expressly conditioned upon the Assignee's having on deposit, pursuant to the terms of the Finance Agreement, sufficient funds available thereunder to make such payment. The Assignee shall not be obligated to make payment at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 of the CSA or if an event of default, or any event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default, shall have occurred and be continuing under the CSA. In the event that the Assignee shall not make payment for any Group of the Equipment on any scheduled Closing Date as the same may from time to time be postponed, the Assignee shall be deemed to have reassigned to such Builder, without recourse to the Assignee, all right, title and interest of the Assignee in and to the units of the Equipment with respect to which payment has not been made by the Assignee, and at the request

of such Builder, confirm in writing such reassignment. In the event that the Assignee shall not make payment for any Final Supplemental Invoice on any scheduled Closing Date as the same may from time to time be postponed, the sole remedy of the Builder in respect thereof shall be an unsecured claim for the amount thereof against the Railroad and the payment thereof to the Builder shall not be secured by any lien, charge or security interest upon the Equipment of such Builder or any unit thereof.

SECTION 5. The Assignee may assign all or any of its rights under the CSA, including the right to receive any payments due or to become due to it from the Railroad thereunder. In the event of any such assignment any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

SECTION 6. Each Builder hereby severally:

(a) represents and warrants to the Assignee, its successors and assigns, that the CSA was duly authorized by it and lawfully executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by the Railroad, the CSA is, insofar as such Builder is concerned, a valid and existing agreement binding upon it and the Railroad in accordance with its terms and that it is now in force without amendment thereto;

(b) agrees that it will from time to time and at all times, at the request of the Assignee or its successors or assigns, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be; and

(c) agrees that, upon request of the Assignee and provided that the Assignee shall have made all payments which the Assignee is required by this Assignment to make to such Builder, its successors and assigns, it will execute any and all instruments which may be neces-

sary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of such Builder therein or in the Equipment of such Builder.

SECTION 7. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of Missouri; provided, however, that the parties shall be entitled to all the rights conferred as provided in Article 23 of the CSA.

SECTION 8. Although this Assignment is dated for convenience as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 9. This Assignment may be executed in any number of counterparts, all of which together shall constitute a single instrument. Each Builder shall be bound hereunder notwithstanding the failure of the other Builder to execute and deliver this Assignment or to perform its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

MERCANTILE TRUST COMPANY, N.A.,
As Agent,

by
Elden R. Stennberg
Vice President

[Corporate Seal]

Attest:

Victor Zarrilli
Assistant Secretary

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

by P. K. Hoglund
Vice President

[Corporate Seal]

Attest:

W. J. Scott
Assistant Secretary

GENERAL ELECTRIC COMPANY,

by M. S. Richardson
General Manager-Locomotive Operations

[Corporate Seal]

Attest:

J. T. Hughes
Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by R. K. Smith
Vice President

[Corporate Seal]

Attest:

M. Hemphill, Jr.
Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by Walter A. Dahl
Vice President

[Corporate Seal]

Attest:

R. W. Polster
~~Assistant~~ Secretary

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this 11thday of April 1980, before me personally appeared Elden R. Stennberg , to me personally known, who, being by me duly sworn, says that he is a Vice President of MERCANTILE TRUST COMPANY, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Dorothy Pusczek
Notary Public

[NOTARIAL SEAL] Dorothy Pusczek

My Commission expires
August 25, 1980

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 8th day of April 1980, before me personally appeared P. K. Hoglund , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (Electro-Motive Division), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

T. K. Piorecki
Notary Public

[Notarial Seal]

My Commission expires
September 18, 1983

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this 9th day of April 1980, before me personally appeared M. S. Richardson , to me personally known, who, being by me duly sworn, says that he is General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Judy Crandall
Notary Public
Judy Crandall, Notary Public
Lawrence Park Twp. Erie County, Penna.
My Commission Expires January 16, 1984

[Notarial Seal]

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this 10th day of April 1980, before me personally appeared R. K. Smith , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Evelyn S. Weeks
Notary Public
My Commission Expires
City of Bethlehem
Lehigh County
October 13, 1982

[Notarial Seal]

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this 14th day of April 1980, before me personally appeared W. A. Dahl, to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

L. W. Moffett

Notary Public

[Notarial Seal]

My Commission expires
October 14, 1982

L. W. Moffett, Notary Public
City of Washington, District of Columbia
My Commission Expires October 14, 1982

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

MISSOURI PACIFIC RAILROAD COMPANY hereby acknowledges due notice of and consents to the assignment made by the foregoing Agreement and Assignment as of March 1, 1980.

MISSOURI PACIFIC RAILROAD COMPANY,

by M. M. Hennelley
Vice President

[CS&M Ref. 2043-986]

AMENDMENT AGREEMENT NO. 3, dated as of July 31, 1980, among Missouri Pacific Railroad Company (the "Railroad"), General Motors Corporation (Electro-Motive Division), General Electric Company, Bethlehem Steel Corporation, Greenville Steel Car Company, and Fruit Growers Express Company (collectively called the "Builders" and individually called "GM", "GE", "Bethlehem", "Greenville" and "Fruit Growers", respectively), and Mercantile Trust Company, N.A. (the "Assignee").

WHEREAS the Railroad and the Builders (except Greenville) have entered into a Conditional Sale Agreement dated as of March 1, 1980 (the "Conditional Sale Agreement"), providing for the construction, sale and delivery of certain items of railroad rolling stock specified in Schedule B thereto (the "Equipment");

WHEREAS the Builders (except Greenville) and the Assignee have entered into an Agreement and Assignment dated as of March 1, 1980 (the "Assignment"), assigning to the Assignee the rights of such Builders under the Conditional Sale Agreement therein specified;

WHEREAS the Conditional Sale Agreement and the Assignment were filed and recorded with the Interstate

Commerce Commission pursuant to 49 U.S.C. § 11303 on April 14, 1980, at 2:25 p.m., and were assigned recordation number 11671;

WHEREAS the Conditional Sale Agreement and the Agreement and Assignment were amended by Amendment Agreement No. 1 dated as of April 1, 1980, among the Railroad, GE and the Assignee ("Amendment Agreement No. 1");

WHEREAS Amendment Agreement No. 1 was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 24, 1980, at 1:35 p.m., and was assigned recordation number 11671-A;

WHEREAS the Conditional Sale Agreement and the Agreement and Assignment were amended by Amendment Agreement No. 2 dated as of May 1, 1980, among the Railroad, Bethlehem and the Assignee ("Amendment Agreement No. 2");

WHEREAS Amendment Agreement No. 2 was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on May 15, 1980, at 3:50 p.m., and was assigned recordation number 11671-B;

WHEREAS the Railroad and the Builders desire to amend the Conditional Sale Agreement by excluding from the Equipment the units which were to be manufactured and sold by Fruit Growers, and to substitute therefor certain units of equipment to be manufactured and sold by Greenville and hav-

ing a useful life at least equal to the useful life of the excluded equipment, all as more specifically set forth below;

WHEREAS the Assignee and the Builders propose to amend the Assignment to reflect the amendments to the Conditional Sale Agreement herein referred to; and

WHEREAS this substitution of Equipment is authorized by the third paragraph of Paragraph 2 of the Finance Agreement without the consent of the Investors.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and of other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto hereby agree as follows:

1. The reference to "Fruit Growers Express Company" is hereby deleted from the first introductory paragraph of the Finance Agreement dated as of March 1, 1980, among the Railroad, the Assignee and the investors named in Schedule A thereto and "Greenville Steel Car Company" is hereby substituted therefor.

2. Schedule B of the Conditional Sale Agreement is hereby amended to delete the following units of Equipment:

Builder:	Fruit Growers Express Company
Type:	100-ton Boxcars

AAR Mechanical Designation:	XP
Builder's Specifications:	S-467
Builder's Plant:	Alexandria, Virginia
Quantity:	28
Unit Base Price:	$76,400
Total Base Price:	$2,139,200
Road Numbers or Serial Numbers (Inclusive):	MP269431-MP269458
Estimated Time of Delivery at Builder's Plant:	July 1980

3. The Conditional Sale Agreement, a counterpart of which is attached hereto and incorporated herein by reference, is hereby amended by (w) by deleting the last sentence of the first paragraph of Article 3 thereof, (x) deleting all references to Fruit Growers and substituting as a party thereto, Greenville, which shall be deemed included for all purposes as a "Builder" therein, (y) amending and restating Item 1(d) and Item 2(d) of Schedule A to the Conditional Sale Agreement as set forth in Schedule A attached hereto, and deleting "Fruit Growers" and substituting therefor "Greenville" in Item 3, and (z) adding to Schedule B to the Conditional Sale Agreement the information with respect to equipment to be built by Greenville, as set forth in Schedule B hereto.

4. The Assignment, a counterpart of which is

attached hereto and incorporated herein by reference, is hereby amended (x) by deleting all references to Fruit Growers and substituting as a party thereto, Greenville, which shall be deemed included for all purposes as a "Builder" therein, and (y) by adding after the word "hereof" in the third line of the introductory paragraph thereof the words "as amended by Amendment Agreement No. 1 dated as of April 1, 1980, Amendment Agreement No. 2 dated as of May 1, 1980, and Amendment Agreement No. 3 dated as of July 31, 1980".

5. The Assignee hereby consents to the foregoing amendments to the Conditional Sale Agreement and the Assignment and the addition of Greenville as a party to each thereof.

6. The Railroad will promptly cause this Amendment Agreement to be filed and recorded in accordance with the provisions of Article 19 of the Conditional Sale Agreement prior to the delivery of any Equipment by Greenville under the Conditional Sale Agreement.

7. Except as hereby or heretofore amended, the Conditional Sale Agreement and the Assignment shall remain unaltered and in full force and effect.

8. This Amendment Agreement shall be governed and construed in accordance with the laws of the State of Missouri; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

9. This Amendment Agreement may be executed in several counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party shall execute a counterpart thereof.

IN WITNESS WHEREOF, the parties hereto have caused their names to be signed hereto by their respective officers thereunto duly authorized, and their respective corporate seals, duly attested, to be hereunto affixed as of the day and year first above written.

MISSOURI PACIFIC RAILROAD COMPANY,

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

MERCANTILE TRUST COMPANY, N.A.,

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

GREENVILLE STEEL CAR COMPANY,

by

~~Chairman of the Board~~
Executive Vice President

[Corporate Seal]

Attest:

Assistant Secretary

GENERAL MOTORS CORPORATION
(Electro-Motive Division),

by

Vice President

[Corporate Seal]

Attest:

Assistant Secretary

GENERAL ELECTRIC COMPANY,

by

General Manager-
Locomotive Operations

[Corporate Seal]

Attest:

Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by

Vice President

[Corporate Seal]

Attest:

Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by

Vice President

[Corporate Seal]

Attest:

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of MISSOURI PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires:

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of MERCANTILE TRUST COMPANY, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation and that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires:

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF MERCER,)

On this 14th day of August 1980, before me personally appeared F. B. Logan, to me personally known, who, being by me duly sworn, says that he is ~~Chairman of the Board~~ Executive Vice President of GREENVILLE STEEL CAR COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Leora Smith
Notary Public

[Notarial Seal]

LEORA SMITH, Notary Public
GREENVILLE, MERCER COUNTY
My Commission Expires Feb. 23, 1981

My Commission expires:

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (Electro-Motive Division), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires:

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires

Schedule A

Item 1: (d) Greenville Steel Car Company, a Pennsylvania corporation, Union Street, Greenville, Pennsylvania 16125.

Item 2: [Warranty of materials and Workmanship] (d) Greenville Steel Car Company ("Greenville") warrants that its Equipment will be built in accordance with the Specifications and the standards and requirements set forth or referred to in Article 2 of this Agreement and warrants that its Equipment will be free from defects in material (except as to specialties incorporated therein specified by the Railroad and not manufactured by Greenville) and workmanship and design (except as to designs specified by the Railroad and not developed by Greenville) under normal use and service, Greenville's obligation under this Item 2(d) being limited to making good at its plant any part or parts of any unit of its Equipment which shall, within ~~two~~ one year or 50,000 miles, whichever occurs first, after the delivery of such units of its Equipment to the Railroad, be returned to Greenville with transportation charges prepaid and which examination by Greenville shall disclose to its satisfaction to have been thus defective. In no event shall Greenville be liable to anyone for any incidental, special or consequential damages of any kind. The foregoing warranty is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose, except for its obligations or liabilities under Articles 2, 3, 4 and 14 of the Agreement, and Item 3 below, and Greenville neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment.

Greenville agrees to use its best efforts to include, as a condition of its purchase order with the vendor of any specialty purchased by Greenville for incorporation in the Equipment manufactured by it, an agreement by such vendor to the effect that all warranty agreements and representations, if any, made by such vendor with respect to such specialty may be enforced by the

Railroad, in the Railroad's own name, by Greenville, in Greenville's own name, or by Greenville and the Railroad jointly; provided, however, that if any vendor does not accept such an agreement and Greenville so notifies the Railroad, Greenville shall have no obligation to the Railroad under this sentence if such an agreement is not contained in any such purchase order. Greenville further agrees that, whether or not such an agreement is contained in any such purchase order, the Railroad as well as Greenville may to the extent permitted by law take and prosecute claims against vendors of specialties purchased by Greenville for incorporation in the Equipment manufactured by Greenville for the breach of any warranty by the vendors with respect to such specialties. Greenville and the Railroad each agree to notify the other prior to the assertion of any claim by them against any such vendors of specialties. If Greenville determines that it has no interest in any such claim asserted by the Railroad, Greenville agrees to assign to the Railroad, solely for the purpose of making and prosecuting any such claim, all of the rights which Greenville has against such vendor for the breach of warranty or other representation respecting the Equipment manufactured by it. The word "specialties" as used herein shall be deemed to include articles, materials, systems, formulae and processes.

Greenville further agrees with the Railroad that neither the inspection as provided in Article 3 of this Agreement, nor any examination, nor the acceptance of any units of the Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 2(d).

Schedule B

Builder:	Greenville Steel Car Company
Type:	100-ton Wood Chip Hopper Cars
AAR Mechanical Designation:	HTS
Builder's Specifications:	H-6043 B
Builder's Plant:	Greenville, Pennsylvania
Quantity:	35
Unit Base Price:	$58,300
Total Base Price:	$2,040,500
Road Numbers or Serial Numbers (Inclusive):	MP592950- MP592984
Estimated Time and Place of Delivery at Builder's Plant:	October 1980 — December 1980 ~~November 1980 — January 1981~~

EXHIBIT A

[CS&M 2043-986]

CONDITIONAL SALE AGREEMENT

Dated as of March 1, 1980

Between each of

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

GENERAL ELECTRIC COMPANY,

BETHLEHEM STEEL CORPORATION

and

FRUIT GROWERS EXPRESS COMPANY

and

MISSOURI PACIFIC RAILROAD COMPANY

AGREEMENT AND ASSIGNMENT

Dated as of March 1, 1980

Between each of

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

GENERAL ELECTRIC COMPANY,

BETHLEHEM STEEL CORPORATION

and

FRUIT GROWERS EXPRESS COMPANY

and

MERCANTILE TRUST COMPANY, N.A.,
as Agent.

Filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 14, 1980, at 2:25 p.m., recordation number 11671, and conformed to reflect Amendment Agreements dated as of April 1, 1980, and May 1, 1980, respectively, filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 24, 1980, at 1:35p.m., recordation number 11671-A, and May 15, 1980, at 3:50 p.m., recordation number 11671-B, respectively.

CONDITIONAL SALE AGREEMENT

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CONDITIONAL SALE AGREEMENT dated as of March 1, 1980, between each of GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION), GENERAL ELECTRIC COMPANY, BETHLEHEM STEEL CORPORATION and FRUIT GROWERS EXPRESS COMPANY (collectively the "Builders" or severally the "Builder", or collectively or severally the "Vendor" as the context may require, all as more particularly set forth in Article 1 hereof), and MISSOURI PACIFIC RAILROAD COMPANY, a Delaware corporation (the "Railroad").

The Builders severally have agreed to construct, sell and deliver to the Railroad, and the Railroad has agreed to purchase, the equipment described in Schedule B hereto (the "Equipment").

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

ARTICLE 1. Certain Definitions. The term "Vendor", whenever used in this Agreement, means, before any assignment of any of their rights hereunder, the respective corporations named in Item I of Schedule A hereto and any successor or successors for the time being to their manufacturing properties and businesses, and, after any such assignment, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also any assignor as regards any rights hereunder that are retained or excluded from any assignment. The parties hereto contemplate that this Agreement shall be assigned to Mercantile Trust Company, N.A., acting as agent under a Finance Agreement dated as of the date hereof (said agent being hereinafter sometimes called the "Agent" and said Finance Agreement being hereinafter called the "Finance Agreement"). The term "Builder", whenever used in this Agreement, means, both before and after any such assignment, the respective corporations (as to the units of Equipment to be constructed by such corporation and sold hereunder) named in Item 1 of Schedule A hereto and any successor or successors for the time being to their respective manufacturing properties and businesses.

The rights and obligations of the Builders under this Agreement are several in accordance with their interests

and not joint. Accordingly, whenever this Agreement, by the use of such designation as "the Vendor", "such Builder" or other similar term, confers a right or imposes an obligation upon any corporation named in Item 1 of Schedule A hereto or its successor, such right or obligation shall be construed to accrue to or to be enforceable against only the specific corporation furnishing the units of Equipment giving rise to such right or obligation and its successors as herein provided.

ARTICLE 2. Construction and Sale. Pursuant to this Agreement, each Builder shall construct the units of the Equipment to be constructed by it as described in Schedule B hereto (such units of Equipment with respect to such Builder being hereinafter called "its Equipment") at its plant set forth in said Schedule B and will sell and deliver to the Railroad, and the Railroad will purchase from such Builder and accept delivery of and pay for (as hereinafter provided), such Equipment, each unit of which shall be constructed in accordance with the specifications set forth or referred to therefor in Schedule B hereto and in accordance with such modifications thereof as may be agreed upon in writing between such Builder and the Railroad (which specifications and modifications, if any, are hereinafter called the "Specifications"). The design, quality and component parts of each unit of the Equipment shall conform, on the date of completion of manufacture of each thereof, to all Department of Transportation and Interstate Commerce Commission requirements and specifications and to all standards recommended by the Association of American Railroads reasonably interpreted as being applicable to equipment of the character of such units of the Equipment and each unit of the Equipment will be new railroad equipment.

ARTICLE 3. Inspection and Delivery. Each Builder will deliver the units of its Equipment to the Railroad at the place or places specified in Schedule B hereto (or if said Schedule B does not specify a place or places, at the place or places designated from time to time by the Railroad), freight charges, if any, prepaid and for the account of the Railroad in accordance with the delivery schedule set forth in Schedule B hereto; provided, however, that no Builder shall have any obligation to deliver any unit of Equipment hereunder at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 hereof or if any event of default (as described in said Article 16), or event which with the lapse of time and/or demand could

constitute such an event of default, shall have occurred and be continuing. It is agreed between the Railroad and Fruit Growers Express Company that the obligation of Fruit Growers Express Company to construct the units of its Equipment is subject to its constructing the same type of equipment for Consolidated Rail Corporation.

Each Builder's obligation as to time of delivery is subject, however, to delays resulting from causes beyond such Builder's reasonable control, including but not limited to acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities, delays in receiving necessary materials or delays of carriers or subcontractors.

Notwithstanding the preceding provisions of this Article 3, any Equipment not delivered, accepted and settled for pursuant to Article 4 hereof on or before the Cut-Off Date (as defined in Article 4 hereof) shall be excluded herefrom. If any unit or units of Equipment shall be excluded from this Agreement pursuant to the preceding sentence, the Builder or Builders of such unit or units and the Railroad shall execute an agreement supplemental hereto limiting this Agreement to the units of Equipment not so excluded herefrom. If a Builder's failure to deliver Equipment so excluded from this Agreement resulted from one or more of the causes set forth in the immediately preceding paragraph, the Railroad shall nevertheless be obligated to accept such Equipment and pay the full purchase price therefor, determined as provided in this Agreement, if and when such Equipment shall be completed and delivered by such Builder, such payment to be in cash on the delivery of such Equipment, either directly or, in case the Railroad shall arrange therefor, by means of a conditional sale agreement, equipment trust or such other appropriate method of financing as the Railroad shall determine and as shall be reasonably acceptable to such Builder.

During construction, the Equipment shall be subject to inspection and approval by the authorized inspectors of the Railroad and each Builder shall grant to such authorized inspectors reasonable access to its plant. Each Builder agrees to inspect all materials used in the construction of

its Equipment in accordance with the standard quality control practices of such Builder. Upon completion of each unit or of a number of units of the Equipment, such unit or units shall be presented to an inspector of the Railroad for inspection at the place specified for delivery of such unit or units, and if each such unit conforms to the Specifications, requirements and standards applicable thereto, such inspector or an authorized representative of the Railroad shall execute and deliver to such Builder a certificate of acceptance (the "Certificate of Acceptance") stating that such unit or units have been inspected and accepted on behalf of the Railroad and are marked in accordance with Article 7 hereof; provided, however, that such Builder shall not thereby be relieved of its warranty referred to in Article 14 hereof.

On delivery to and acceptance by the Railroad of each such unit hereunder at the place specified for delivery, the Railroad will assume the responsibility and risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of such unit.

ARTICLE 4. Purchase Price and Payment. The base price or prices per unit of the Equipment are set forth in Schedule B hereto. Such base price or prices are subject to such increase or decrease as is agreed to by the Builder thereof and the Railroad. The term "Purchase Price" as used herein shall mean the base price or prices as so increased or decreased, including without limitation any increase pursuant to the presentation of a supplemental invoice as hereinafter provided, plus off-line freight charges, if any.

If the aggregate Purchase Price shall exceed $59,172,500, the Builder or Builders (and any assignee of the Builders) and the Railroad, unless waived by the Railroad, will enter into an agreement excluding from this Agreement such unit or units of Equipment then proposed to be settled for and specified by the Railroad, as will, after giving effect to such exclusion, reduce the aggregate Purchase Price of the Equipment under this Agreement to not more than $59,172,500, and the Railroad agrees to purchase any such unit or units so excluded from this Agreement from the Builder thereof for cash on the date such unit or units would otherwise have been settled for under this Agreement either directly, or by means of a conditional sale, equipment trust or other appropriate method of financing as the Railroad

shall determine and shall be reasonably acceptable to such Builder.

For the purpose of making settlement, the Equipment of each Builder shall be divided into such number of groups of units of the Equipment, delivered to and accepted by the Railroad (each such group being hereinafter called a "Group"), as such Builder and the Railroad may agree to.

The Railroad hereby acknowledges itself to be indebted to the Vendor in the amount of, and hereby promises to pay in cash to the Vendor at such place as the Vendor may designate, the Purchase Price of the Equipment, as follows:

(a) on each Closing Date (as hereinafter defined) an amount equal to (i) 20% of the Purchase Price of all units of the Equipment for which settlement is then being made, as stated in the invoice or invoices presented (including the supplemental invoice or invoices hereinafter provided for) in respect of such Closing Date (said invoiced prices being herein called the "Invoiced Purchase Prices") plus (ii) the amount, if any, by which the Invoiced Purchase Price of all units of the Equipment for which settlement has theretofore or is then being made, exceeds $47,338,000; and

(b) in 15 consecutive equal annual installments, as hereinafter provided, an amount equal to the aggregate of the Invoiced Purchase Prices for all the Equipment less the amount paid or payable with respect thereto pursuant to subparagraph (a) of this paragraph (the aggregate of said installments being hereinafter called the "CSA Indebtedness").

In the event that on any Closing Date the final Purchase Price of any Group has not been determined, the invoice presented may be for an estimated Purchase Price (as evidenced by the words "Interim Invoice" written on the face of such invoice), subject to adjustment upon determination of the final Purchase Price, and a supplemental invoice may be presented by the appropriate Builder at least 10 days prior to any subsequent Closing Date for settlement on such subsequent Closing Date for any increase in the Purchase Price. Any prior preliminary invoice or invoices presented by such Builder shall be in an amount not in excess of the final Purchase Price of such Group. One final supplemental invoice (the "Final Supplemental Invoice") may be presented

by a Builder after the last Closing Date on which a Certificate or Certificates of Acceptance is presented for the last Group of Equipment provided by such Builder; provided, however, that the Final Supplemental Invoice may only be presented on or prior to June 1, 1981 (the "Cut-Off Date"), and that the notation "Final Supplemental Invoice" shall appear on the face thereof.

The installments of the CSA Indebtedness payable pursuant to subparagraph (b) of the fourth paragraph of this Article 4 shall be payable annually on June 1 in each year commencing on June 1, 1981, to and including June 1, 1995, or, if any such date is not a business day, on the next succeeding business day. The unpaid portion of the CSA Indebtedness shall bear interest from the respective Closing Dates on which such indebtedness was incurred at a rate of 12-3/4% per annum from the Closing Date on which such indebtedness was incurred; provided, however, that interest on the investment of The Northern Trust Company (the "Interim Investor" as defined in the Finance Agreement) in the CSA Indebtedness incurred hereunder shall be payable for the period from the Closing Date or Dates with respect thereto until August 8, 1980, at a rate per annum equal to the rate of interest in effect from time to time during such period charged by the Interim Investor for prime commercial loans of 90-day maturities to its corporate borrowers of the highest credit rating (the "Prime Rate"), and after August 8, 1980, at the rate of 12-3/4% per annum. All such interest shall be payable, to the extent accrued, on June 1 and December 1 in each year, commencing December 1, 1980, or, if any such date is not a business day, on the next succeeding business day; provided, however, that interest payable pursuant to the proviso to the preceding sentence shall be payable on August 8, 1980.

The term "Closing Date" with respect to any Group of the Equipment shall mean such date (on or after April 8, 1980, and on or prior to the Cut-Off Date), not more than 10 business days following presentation by the Builder of the Equipment in such Group to the Railroad of the invoice and the Certificate or Certificates of Acceptance for such Group, as shall be fixed by the Railroad by written notice delivered to the Vendor at least 5 business days prior to the Closing Date designated therein; provided, however, that the aggregate of the Invoiced Purchase Prices of all Equipment settled for pursuant to this Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) on any Closing Date shall not exceed 125% of the amount then on deposit with the

Vendor pursuant to the Finance Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) under which the Vendor is acting as agent for the institutional investors therein named. The term "business days" as used herein means calendar days, excluding Saturdays, Sundays and any other day on which banking institutions in St. Louis, Missouri, or New York, New York, are authorized or obligated to remain closed.

All interest under this Agreement shall be calculated on the basis of a 360-day year of 12 30-day months.

The Railroad will pay, to the extent legally enforceable, interest at the rate of 13-3/4% per annum (or 1% per annum over the Prime Rate then in effect in the case of the Interim Investor) upon all amounts remaining unpaid after the same shall have become due and payable pursuant to the terms hereof, anything herein to the contrary notwithstanding.

All payments provided for in this Agreement shall be made in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. Except as provided in Article 8 hereof, the Railroad shall not have the privilege of prepaying any installment of its indebtedness hereunder prior to the date it becomes due.

In the event the Vendor, pursuant to Article 15 hereof, assigns the right to receive the payments herein provided to be made by the Railroad, the assignee thereof may request the Railroad to make and the Railroad shall make such payments to it at such address as shall be supplied to the Railroad by the assignee.

ARTICLE 5. Taxes. All payments to be made by the Railroad hereunder will be free of expense to the Vendor for collection or other charges and will be free of expense to the Vendor with respect to the amount of any local, state, Federal or foreign taxes (other than net income, gross receipts [except gross receipts taxes in the nature of or in lieu of sales or use taxes], excess profits and similar taxes) or license fees, assessments, charges, fines or penalties hereafter levied or imposed upon or in connection with or measured by, this Agreement or any sale, use, payment, shipment, delivery or transfer of title under the terms hereof (all such expenses, taxes, license fees, assessments, charges, fines and penalties being hereinafter called "impositions"), all of which impositions the Railroad assumes and

agrees to pay on demand. The Railroad will also pay promptly all impositions which may be imposed upon the Equipment delivered to it or for the use or operation thereof or upon the earnings arising therefrom or upon the Vendor solely by reason of its interest therein and will keep at all times all and every part of the Equipment free and clear of all impositions which might in any way affect the security interest of the Vendor or result in a lien upon any part of the Equipment; provided, however, that the Railroad shall be under no obligation to pay any impositions of any kind so long as it is contesting in good faith and by appropriate legal proceedings such impositions and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the interest or rights of the Vendor in or to the Equipment or otherwise under this Agreement. If any such impositions shall have been charged or levied against the Vendor directly and paid by the Vendor, the Railroad shall reimburse the Vendor upon presentation of an invoice therefor, and any amounts so paid by the Vendor shall be secured by and under this Agreement; provided, however, that the Railroad shall not be obligated to reimburse the Vendor for any impositions so paid unless the Vendor shall have been legally liable with respect thereto (as evidenced by an opinion of counsel for the Vendor) or unless the Railroad shall have approved the payment thereof.

ARTICLE 6. Title to the Equipment. The Vendor shall and hereby does retain title to and a security interest in the Equipment until the Railroad shall have made all its payments under this Agreement and shall have kept and performed all its agreements herein contained, notwithstanding the delivery of the Equipment to and the possession and use thereof by the Railroad as provided in this Agreement. Any and all additions to the Equipment and any and all replacements of the Equipment and of parts thereof and additions thereto shall constitute accessions to the Equipment and shall be subject to all the terms and conditions of this Agreement and included in the term "Equipment" as used in this Agreement.

Except as otherwise specifically provided in Article 8 hereof, when and only when the full indebtedness in respect of the Purchase Price of the Equipment, together with interest and all other payments as herein provided, shall have been paid by the Railroad, and all the Railroad's obligations herein contained shall have been performed by the Railroad, absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the

Railroad without further transfer or action on the part of the Vendor. However, the Vendor, if so requested by the Railroad at that time, will (a) execute a bill or bills of sale for the Equipment transferring and releasing its interest therein to the Railroad, or upon its order, free of all claims, liens, security interests and other encumbrances created or retained hereby and deliver such bill or bills of sale to the Railroad at its address referred to in Article 21 hereof, (b) execute and deliver at the same place, for filing, recording or depositing in all necessary public offices, such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the release of the security interest of the Vendor in the Equipment and (c) pay to the Railroad any money paid to the Vendor pursuant to Article 8 hereof and not theretofore applied as therein provided. The Railroad hereby waives and releases any and all rights, existing or that may be acquired, in or to the payment of any penalty, forfeit or damages for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file any certificate of payment in compliance with any law or statute requiring the filing of the same, except for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file such certificate within a reasonable time after written demand by the Railroad.

ARTICLE 7. Marking of the Equipment. The Railroad will cause each unit of the Equipment to be kept numbered with its identifying number as set forth in Schedule B hereto, or in the case of Equipment not there listed such identifying number as shall be set forth in any amendment or supplement hereto extending this Agreement to cover such Equipment, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each unit, in letters not less than one inch in height, the words "Ownership Subject to a Security Agreement Filed with the Interstate Commerce Commission", or the name of the Vendor followed by the words "Agent, Owner", or other appropriate markings approved by the Vendor with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Vendor's interest in the Equipment and its rights under this Agreement. The Railroad will not place any such unit in operation or exercise any control or dominion over the same until such markings have been made thereon and will replace promptly any such markings which may be removed, defaced or destroyed. The Railroad will not change the number of any unit of the Equipment except in accordance with

a statement of new number or numbers to be substituted therefor, which statement previously shall have been filed with the Vendor by the Railroad and filed, recorded and deposited by the Railroad in all public offices where this Agreement shall have been filed, recorded and deposited.

Except as provided in the immediately preceding paragraph, the Railroad will not allow the name of any person, association or corporation to be placed on any unit of the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Railroad may cause the Equipment to be lettered with the names or initials or other insignia of the Railroad or its affiliates.

ARTICLE 8. Casualty Occurrences; Insurance. In the event that any unit of the Equipment shall be worn out, lost, stolen, destroyed, irreparably damaged or otherwise rendered permanently unfit for use from any cause whatsoever, or taken or requisitioned by condemnation or otherwise or the Purchase Price (or any portion thereof) of any unit shall have been refunded by a Builder pursuant to such Builder's patent indemnities therefor as set forth in Item 3 of Schedule A hereto (such occurrences being hereinafter called "Casualty Occurrences"), the Railroad shall promptly and fully inform the Vendor in regard thereto (after it has knowledge of such Casualty Occurrence). When the aggregate Casualty Value (as defined herein and in the Other Agreement as defined in Item 4 of Schedule A hereto) of all units of the Equipment and all units of the railroad equipment covered by the Other Agreement having suffered a Casualty Occurrence (exclusive of units having suffered a Casualty Occurrence with respect to which a payment shall have been made to the Vendor pursuant to this Article 8 or Article 8 of the Other Agreement) hereunder shall exceed $250,000 (or such lesser amount as the Railroad may elect), the Railroad, within 30 days after it has knowledge of such event, shall promptly pay to the Vendor a sum equal to the aggregate Casualty Value of such units of the Equipment as of the date of such payment and shall file with the Vendor a certificate of an officer of the Railroad setting forth the Casualty Value of each unit of the Equipment suffering a Casualty Occurrence.

So long as no event of default shall have occurred and be continuing, any money paid to the Vendor pursuant to the preceding paragraph of this Article 8 shall be used, as the Railroad shall direct in a written instrument filed with the Vendor not less than 10 days prior to the due date of the

next annual installment of CSA Indebtedness, in whole or in part, to prepay installments of CSA Indebtedness or toward not more than 80% of the cost of a unit or units of new standard-gauge railroad equipment (other than passenger or work equipment of types other than locomotives), to replace units suffering a Casualty Occurrence and the Railroad shall pay the balance of such cost of replacement equipment, in addition to the Casualty Value payment provided above; provided, however, that the total fair value of all cabooses and locomotives which will be subject to this Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) will not exceed 6% and 59% respectively of all Equipment (and its cash equivalent) subject to this Agreement and the Other Agreement. In case any money is applied pursuant to this Article 8 to prepay indebtedness, it shall be so applied to reduce each installment of CSA Indebtedness thereafter falling due pro rata.

The Casualty Value of each unit of the Equipment (other than a replacement unit) shall be deemed to be that amount which bears the same ratio to the original Purchase Price thereof (less an amount which bears the same ratio to the aggregate of all payments made by the Railroad pursuant to subparagraph (a) of the fourth paragraph of Article 4 hereof as the original Purchase Price of such unit bears to the original aggregate Purchase Price of all the Equipment) as the unpaid CSA Indebtedness (without giving effect to any prepayments then or theretofore made pursuant to this Article 8) as of the date payment is made with respect to such Casualty Occurrence bears to the original CSA Indebtedness. The Casualty Value of each replacement unit shall be deemed to be that amount which bears the same ratio to the portion of the cost thereof paid by the Vendor as the unpaid CSA Indebtedness (without giving effect to any prepayments then or theretofore made pursuant to this Article 8) as of the date payment is made with respect to such Casualty Occurrence bears to the unpaid CSA Indebtedness (without giving effect to any such prepayments) as of the date of acquisition by the Vendor of such replacement unit.

The Railroad will cause any replacement unit or units to be marked as provided in Article 7 hereof. Any and all such replacements of Equipment shall constitute accessions to the Equipment and shall be subject to all appropriate terms and conditions of this Agreement as though part of the original Equipment delivered hereunder and shall be included in the term "Equipment" as used in this Agreement; provided, however, that nothing herein shall result in any

Builder having any liability or obligation pursuant to this Agreement with respect to any replacement unit or units not manufactured by it. Title to all such replacement units shall be free and clear of all liens and encumbrances except the liens permitted by the second paragraph of Article 12 hereof and shall be taken initially and shall remain in the name of the Vendor subject to the provisions hereof, and the Railroad shall execute, acknowledge, deliver, file, record or deposit all such documents and do any and all such acts as may be necessary to cause such replacement units to come under and be subject to this Agreement. All such replacement units shall be guaranteed and warranted in like manner as is customary at the time for similar equipment.

Whenever the Railroad shall file with the Vendor a written direction to apply amounts toward the cost of any replacement unit or units, the Railroad shall file therewith in addition to any settlement documents which may be required pursuant to the fifth paragraph of Article 15 hereof:

(1) a certificate of an appropriate officer of the Railroad certifying that such replacement unit is new standard-gauge railroad equipment (other than passenger or work equipment of types other than locomotives), has been marked as required by the provisions of this Article 8, the cost of such replacement equipment and compliance with the percentage limitations for cabooses and locomotives set forth in the second paragraph of this Article 8.

(2) an opinion of counsel for the Railroad that the Vendor has a valid and perfected security interest in such replacement unit, free and clear from all claims, liens, security interests and other encumbrances except the rights of the Railroad under this Agreement, and that such unit has come under and become subject to this Agreement and all necessary filings and recordings have been made to perfect the interests of the Vendor herein.

So long as no event of default shall have occurred and be continuing, any money paid to the Vendor pursuant to this Article 8 shall, if the Railroad shall in writing so direct, be invested, pending its application as hereinabove provided, in such of the following as may be specified in such written direction: (i) direct obligations of the United States of America or obligations for which the full faith and credit of the United States is pledged to provide for the payment of principal and interest, (ii) open market commercial paper rated A-1 by Standard & Poor's Corporation or prime-1

by NCO/Moody's Commercial Paper Division of Moody's Investors Service, Inc., or the successor of either of them, or (iii) certificates of deposit of domestic commercial banks in the United States of America having total capital and surplus in excess of $100,000,000, in each case maturing in not more than one year from the date of such investment (such investments being herein called "Investments"), but in no event shall any of such Investments be purchased at a premium. Any such obligations shall from time to time be sold and the proceeds reinvested in such Investments as the Railroad may in writing direct. Any interest received by the Vendor on any Investments shall be held by the Vendor and applied as hereinafter provided. Upon any sale or the maturity of any Investments, the proceeds thereof, plus any interest received by the Vendor thereon, up to the cost (including accrued interest) thereof, shall be held by the Vendor for application pursuant to this Article 8, and any excess shall be paid to the Railroad. If such proceeds (plus such interest) shall be less than such cost, the Railroad will promptly pay to the Vendor an amount equal to such deficiency. The Railroad will pay all expenses incurred by the Vendor in connection with the purchase and sale of Investments.

If any unit of the Equipment is removed for repairs other than running repairs or becomes unsuitable or not necessary for continued use by the Railroad in the Railroad's business or operations, such occurrence shall, upon the election of the Railroad evidenced by written notice to the Vendor, constitute a Casualty Occurrence subject to the provisions of this Article 8; provided, however, that the Railroad shall direct any money paid to the Vendor in respect thereof to be applied only toward not more than 80% of the cost of replacement equipment and not to prepay any installment of CSA Indebtedness.

If one or more events of default shall have occurred and be continuing, all money held by the Vendor pursuant to this Article 8 (including, for this purpose, Investments) shall be applied by the Vendor as if such money were money received upon the sale of Equipment pursuant to Article 17 hereof.

In order to facilitate the sale or other disposition of any Equipment suffering a Casualty Occurrence, the Vendor shall, upon request of the Railroad, after payment by the Railroad of a sum equal to the Casualty Value of such Equipment, execute and deliver to the Railroad or the Railroad's vendee, assignee or nominee, a bill of sale (without warranties) for such Equipment, and such other documents as

may be required to release such Equipment from the terms and scope of this Agreement, in such form as may be reasonably requested by the Railroad.

The Railroad will at all times prior to the payment of the full indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon and all other payments required hereby, at its own expense, cause to be carried and maintained insurance in respect of the Equipment at the time subject hereto in amounts and against risks customarily insured against by railroad companies of similar financial condition and having similar operations on similar equipment, and in any event in amounts and against risks comparable to those insured against by the Railroad on similar equipment owned by it.

ARTICLE 9. Maintenance; Compliance with Laws and Rules. The Railroad will at all times maintain the Equipment or cause the Equipment to be maintained in good order and repair at its own expense, normal wear and tear excepted, and eligible (in the case of Equipment other than locomotives and cabooses) for interchange in accordance with the interchange rules of the Association of American Railroads.

During the term of this Agreement, the Railroad will at all times comply in all respects with all laws of the jurisdictions in which its operations involving the Equipment may extend, with the interchange rules of the Association of American Railroads and with all lawful rules of the Department of Transportation, Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Equipment, to the extent that such laws and rules affect the title, operation or use of the Equipment, and in the event that such laws or rules require any alteration or replacement of or addition to any part on any unit of the Equipment, the Railroad will conform therewith, at its own expense; provided, however, that the Railroad may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor under this Agreement.

ARTICLE 10. Reports and Inspections. On or before April 1 in each year, commencing with the year 1981, the Railroad shall furnish to the Vendor an accurate statement signed by an officer of the Railroad (a) setting forth as at the preceding December 31 the amount, description and numbers of all units of the Equipment that have suffered a Casualty Occurrence during the preceding 12 months (or since the date of this Agreement in the case of the first such statement) or

that have been withdrawn from use pending repairs (other than running repairs) and such other information regarding the condition and state of repair of the Equipment as the Vendor may reasonably request and (b) stating that, in the case of all Equipment repaired or repainted during the period covered by such statement, the numbers and markings required by Article 7 hereof have been preserved or replaced. The Vendor shall have the right, by its agents, to inspect the Equipment and the Railroad's records with respect thereto at such reasonable times as the Vendor may reasonably request during the term of this Agreement.

ARTICLE 11. Possession and Use. The Railroad, so long as an event of default shall not have occurred under this Agreement and be continuing, shall be entitled to the possession of the units of Equipment and the use thereof upon the lines of railroad owned or operated by it either alone or jointly with others and whether under lease or otherwise, or upon the lines of railroad owned or operated by any railroad company controlled by, or under common control with, the Railroad, or over which it has trackage rights, or upon connecting and other carriers in the usual interchange of traffic or pursuant to run-through agreements, from and after delivery of such units of Equipment by the Builder of such units to the Railroad, but only upon and subject to all the terms and conditions of this Agreement; provided, however, that the Railroad shall not be entitled to assign the Equipment for service involving the regular operation and maintenance thereof outside of the United States of America except in normal interchange.

ARTICLE 12. Prohibition Against Liens. The Railroad will pay or discharge any and all sums claimed by any party from, through or under the Railroad or its successors or assigns which, if unpaid, might become a lien, charge or security interest on or in the Equipment, or any unit thereof, equal or superior to the Vendor's interest therein; provided, however, that the Railroad shall be under no obligation to pay or discharge any such claim so long as it is contesting in good faith and by appropriate legal proceedings such claim and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor in or to the Equipment or otherwise under this Agreement. Any amounts paid by the Vendor in discharge of liens, charges or security interests upon the Equipment shall be secured by and under this Agreement.

This covenant will not be deemed breached by reason of liens for taxes, assessments or governmental charges or levies, in each case not due and delinquent, or undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or other like liens arising in the ordinary course of business and, in each case, not delinquent.

ARTICLE 13. Railroad's Indemnities. The Railroad agrees to indemnify, protect and hold harmless the Vendor from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including counsel fees, arising out of retention by the Vendor of title to and a security interest in the Equipment, the use and operation thereof by the Railroad during the period when title remains in the Vendor or the transfer of title to the Equipment by the Vendor pursuant to any of the provisions of this Agreement. This covenant of indemnity shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

ARTICLE 14. Patent Indemnities; Each Builder's Warranty of Material and Workmanship. Each Builder's indemnities with respect to patent infringement, its warranty of material and workmanship and the limitations of its liability with regard thereto are set forth in Schedule A hereto.

ARTICLE 15. Assignments. The Railroad will not sell, assign, transfer or otherwise dispose of its rights under this Agreement or, except as provided in Article 11 hereof, transfer the right to possession of any unit of the Equipment without first obtaining the written consent of the Vendor, which consent will not be unreasonably withheld. A sale, assignment, transfer or disposition to a solvent, Class 1 railroad company organized under the laws of the United States of America or any of the states thereof which shall acquire all or substantially all the lines of railroad of the Railroad, and which, by execution of an appropriate instrument satisfactory to the Vendor, shall assume and agree to perform each of, and all, the obligations and covenants of the Railroad under this Agreement, shall not be deemed a breach of this covenant and thereupon, the successor railroad company shall be for all purposes the "Railroad" hereunder.

All or any of the rights, benefits and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Railroad, may be assigned by the Vendor and reassigned by any assignee at any time or from time to time. No such assignment shall subject any assignee to, or relieve any Builder from, any of the obligations of such Builder to construct and deliver the Equipment in accordance with this Agreement or to respond to its warranties and indemnities contained or

referred to in Article 14 hereof, or relieve the Railroad of any of its obligations to such Builder under Articles 2, 3, 4, 5, 13 and 14 hereof, Schedule A hereto and this Article 15 or of any other obligation which, according to its terms or context, is intended to survive an assignment.

Upon any such assignment either the assignor or the assignee shall give written notice to the Railroad, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all the assignor's right, title and interest in and to the Equipment and this Agreement, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Railroad of the notification of any such assignment, all payments thereafter to be made by the Railroad under this Agreement to the Vendor shall, to the extent so assigned, be made to the assignee in such manner as it may direct.

The Railroad recognizes that it is the custom of railroad equipment manufacturers to assign conditional sale agreements and understands that the assignment of this Agreement, or of some of or all the rights of the Vendor hereunder, is contemplated. The Railroad expressly represents, for the purpose of assurance to any person, firm or corporation considering the acquisition of this Agreement or of all or any of the rights of the Vendor hereunder and for the purposes of inducing such acquisition, that in the event of such assignment by the Vendor as hereinbefore provided, the rights of such assignee to the entire unpaid indebtedness in respect of the Purchase Price or such part thereof as may be assigned, together with interest thereon, as well as any other rights hereunder which may be so assigned, shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever arising out of any breach of any obligation of a Builder with respect to the Equipment of such Builder or the manufacture, construction, delivery or warranty thereof, or with respect to any indemnity herein contained, nor subject to any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by a Builder. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Railroad against and only against the respective Builders.

The Railroad will (a) in connection with each settlement for the Equipment subsequent to such assignment, deliver to the assignee, at least five business days prior to the Clos-

ing Date for the Group fixed in the notice thereof given by the Railroad, all documents required by the terms of such assignment to be delivered to such assignee in connection with such settlement, in such number of counterparts or copies as may reasonably be requested, and (b) furnish to such assignee such number of counterparts of any other certificate or document required by the Vendor as may reasonably be requested.

If this Agreement shall have been assigned by the Builders and the assignee shall not make payment to a Builder with respect to units of the Equipment of such Builder as provided in the instrument making such assignment, such Builder will promptly notify the Railroad of such event and, if such amount shall not have been previously paid by such assignee, the Railroad will, not later than 60 days after the date such payment was due, pay or cause to be paid to such Builder the aggregate unpaid Purchase Price of such units of Equipment, together with interest from the day such payment was due to the date of payment by the Railroad at the highest prime rate of interest charged by any of the four New York City banks having the largest total assets in effect on the date such payment was due.

ARTICLE 16. Defaults. In the event that any one or more of the following events of default shall occur and be continuing, to wit:

(a) the Railroad shall fail to pay in full any indebtedness in respect of the Purchase Price of the Equipment or any other sum payable by the Railroad as provided in this Agreement within five days after payment thereof shall be due hereunder; or

(b) the Railroad shall, for more than 15 days after the Vendor shall have demanded in writing performance thereof, fail or refuse to comply with any covenant, agreement, term or provision of this Agreement, or of any agreement entered into concurrently herewith relating to the financing of the Equipment on its part to be kept or performed or to make provision satisfactory to the Vendor for such compliance; or

(c) a petition for reorganization under the Federal Bankruptcy Act or under any other provision of Title 11 of the United States Code, as now constituted or hereafter amended, shall be filed by or against the Railroad and, unless such petition shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only

so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been (and shall not continue to be) duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed in such proceedings in such manner that such obligations shall have the same status as expenses of administration and obligations incurred by such trustee or trustees, within 60 days after the filing of such petition, or in accordance with the provisions of 11 U.S.C. § 1168; or

(d) any proceeding shall be commenced by or against the Railroad for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustment of the obligations hereunder), and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been (and shall not continue to be) duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed for the Railroad or for its property in connection with any such proceedings in such manner that such obligations have the same status as expenses of administration and obligations incurred by such trustee or trustees or receiver or receivers, within 60 days after such proceedings shall have been commenced, or in accordance with the provisions of 11 U.S.C. § 1168; or

(e) the Railroad shall make or suffer any unauthorized assignment or transfer of this Agreement or any interest herein or any unauthorized transfer of the right to possession of any unit of the Equipment; or

(f) an event of default shall occur under the Other Agreement (defined in Item 4 of Schedule A hereto);

then at any time after the occurrence of such an event of default the Vendor may, upon written notice to the Railroad and upon compliance with any mandatory legal requirements then in force and applicable to such action by the Vendor,

declare (hereinafter called a "Declaration of Default") the entire indebtedness in respect of the Purchase Price of the Equipment, together with the interest thereon then accrued and unpaid, immediately due and payable, without further demand, and thereafter the aggregate of the unpaid balance of such indebtedness and interest shall bear interest from the date of such Declaration of Default at the rate per annum specified in Article 4 hereof as being applicable to amounts remaining unpaid after becoming due and payable, to the extent legally enforceable. The Vendor shall thereupon be entitled to recover judgment for the entire unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment so payable, with interest as aforesaid, and to collect such judgment out of any property of the Railroad wherever situated. The Railroad shall promptly notify the Vendor in writing of any event which has come to its attention which constitutes, or which with the giving of notice and/or lapse of time could constitute, an event of default under this Agreement and of what action, if any, the Railroad has taken or proposes to take to remedy such event of default or event.

The Vendor may at its election waive any such event of default and its consequences and rescind and annul any Declaration of Default by notice to the Railroad in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such event of default had occurred and no Declaration of Default had been made. Notwithstanding the provisions of this paragraph, it is expressly understood and agreed by the Railroad that time is of the essence of this Agreement and that no such waiver, rescission or annulment shall extend to or affect any other or subsequent default or impair any rights or remedies consequent thereon.

ARTICLE 17. Remedies. At any time during the continuance of a Declaration of Default, the Vendor may, subject to compliance with any mandatory legal requirements then in force and applicable to the action to be taken by the Vendor, take or cause to be taken by its agent or agents immediate possession of the Equipment, or one or more of the units thereof, without liability to return to the Railroad any sums theretofore paid and free from all claims whatsoever, except as hereinafter in this Article 17 expressly provided, and may remove the same from possession and use of the Railroad or

any other person and for such purpose may enter upon the Railroad's premises or any other premises where the Equipment may be located (without judicial process if this can be done without breach of the peace) and may use and employ in connection with such removal any supplies, services and aids and any available trackage and other facilities or means of the Railroad.

In case the Vendor shall demand possession of the Equipment pursuant to this Agreement and shall reasonably designate a point or points upon the premises of the Railroad for the delivery of the Equipment to the Vendor, the Railroad shall, at its own expense, forthwith and in the usual manner (including, but not by way of limitation, giving prompt telegraphic and written notice to the Association of American Railroads and all railroads to which any part of the Equipment has been interchanged to return the Equipment so interchanged), cause (a) the Equipment to be moved to such point or points on its lines as shall be designated by the Vendor and shall there deliver the Equipment or cause it to be delivered to the Vendor and (b) the Equipment to be moved to such interchange point or points of the Railroad as shall be designated by the Vendor upon any sale, lease or other disposal of all or any part of the Equipment by the Vendor. At the option of the Vendor, the Vendor may keep the Equipment on any of the lines or premises of the Railroad until the Vendor shall have leased, sold or otherwise disposed of the same, and for such purpose the Railroad agrees to furnish, without charge for rent, storage or insurance (which the Railroad agrees to maintain as herein provided), the necessary facilities at any point or points selected by the Vendor reasonably convenient to the Railroad, to provide proper maintenance for the Equipment during such storage and to permit inspection of the Equipment by the Vendor, the Vendor's representatives and prospective purchasers and users. This agreement to deliver the Equipment and furnish facilities as hereinbefore provided is of the essence of the agreement between the parties, and, upon application to any court of equity having jurisdiction in the premises, the Vendor shall be entitled to a decree against the Railroad requiring specific performance hereof. The Railroad hereby expressly waives any and all claims against the Vendor and its agent or agents for damages of whatever nature in connection with any retaking of any unit of the Equipment in any reasonable manner.

At any time during the continuance of a Declaration of Default, the Vendor (after retaking possession of the

Equipment as hereinbefore in this Article 17 provided) may at its election and upon such notice as is hereinafter set forth retain the Equipment in satisfaction of the entire indebtedness in respect of the Purchase Price of the Equipment and make such disposition thereof as the Vendor shall deem fit. Written notice of the Vendor's election to retain the Equipment shall be given to the Railroad by telegram or registered mail, addressed as provided in Article 21 hereof, and to any other persons to whom the law may require notice, within 30 days after such Declaration of Default. In the event that the Vendor should elect to retain the Equipment and no objection is made thereto within the 30-day period described in the second proviso below, all the Railroad's rights in the Equipment shall thereupon terminate and all payments made by the Railroad may be retained by the Vendor as compensation for the use of the Equipment by the Railroad; provided, however, that if the Railroad, before the expiration of the 30-day period described in the proviso below, should pay or cause to be paid to the Vendor the total unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement as well as expenses of the Vendor in retaking possession of, removing, maintaining and storing the Equipment and the Vendor's reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad; provided, further, that if the Railroad or any other person notified under the terms of this paragraph objects in writing to the Vendor within 30 days from the receipt of notice of the Vendor's election to retain the Equipment, then the Vendor may not so retain the Equipment, but shall sell, lease or otherwise dispose of it or continue to hold it pending sale, lease or other disposition as hereinafter provided or as may otherwise be permitted by law. If the Vendor shall have given no notice to retain as hereinabove provided or notice of intention to dispose of the Equipment in any other manner, it shall be deemed to have elected to sell the Equipment in accordance with the provisions of this Article 17.

At any time during the continuance of a Declaration of Default, the Vendor, with or without retaking possession thereof, at its election and upon reasonable notice to the Railroad and to any other persons to whom the law may require notice of the time and place, may sell the Equipment, or any unit thereof, free from any and all claims of the Railroad or any other party claiming from, through or under the Railroad,

at law or in equity, at public or private sale and with or without advertisement as the Vendor may determine; provided, however, that if, prior to such sale and prior to the making of a contract for such sale, the Railroad should tender full payment of the total unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement as well as expenses of the Vendor in retaking possession of, removing, storing, maintaining, holding and preparing the Equipment for, and otherwise arranging for, the sale and the Vendor's reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad. The proceeds of such sale, less the attorneys' fees and any other expenses incurred by the Vendor in retaking possession of, removing, storing, maintaining, holding, preparing for sale and selling the Equipment, shall be credited on the amount due to the Vendor under the provisions of this Agreement.

Any sale hereunder may be held or conducted at such place or places and at such time or times as the Vendor may specify, in one lot and as an entirety or in separate lots and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Vendor may determine. The Vendor or the Railroad may bid for and become the purchaser of the Equipment, or any unit thereof, so offered for sale. The Railroad shall be given written notice of such sale not less than 10 days prior thereto, by telegram or registered mail addressed to the Railroad as provided in Article 21 hereof. If such sale shall be a private sale (which shall be deemed to mean only a sale where an advertisement for bids has not been published in a newspaper of general circulation or a sale where less than 40 railroads have been solicited in writing to submit bids), it shall be subject to the right of the Railroad to purchase or provide a purchaser, within 10 days after notice of the proposed sale price, at the same price offered by the intending purchaser or a better price. In the event that the Vendor shall be the purchaser of the Equipment, it shall not be accountable to the Railroad (except to the extent of surplus money received as hereinafter provided in this Article 17), and in payment of the purchase price therefor the Vendor shall be entitled to have credited on account thereof all or any part of the sums due to the Vendor from the Railroad hereunder.

Each and every power and remedy hereby specifically given to the Vendor shall be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Vendor. All such powers and remedies shall be cumulative, and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Vendor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder shall impair any such power or remedy or shall be construed to be a waiver of any default or an acquiescence therein. Any extension of time for payment hereunder or other indulgence duly granted to the Railroad shall not otherwise alter or affect the Vendor's rights or the Railroad's obligations hereunder. The Vendor's acceptance of any payment after it shall have become due hereunder shall not be deemed to alter or affect the Railroad's obligations or the Vendor's rights hereunder with respect to any subsequent payments or default therein.

If, after applying all sums of money realized by the Vendor under the remedies herein provided, there shall remain any amount due to it under the provisions of this Agreement, the Railroad shall pay the amount of such deficiency to the Vendor upon demand, together with interest from the date of such demand to the date of payment by the Railroad at the rate per annum set forth in Article 4 hereof applicable to amounts remaining unpaid after becoming due and payable. If the Railroad shall fail to pay such deficiency, the Vendor may bring suit therefor and shall be entitled to recover a judgment therefor against the Railroad. If, after applying as aforesaid all sums realized by the Vendor, there shall remain a surplus in the possession of the Vendor, such surplus shall be paid to the Railroad.

The Railroad will pay all reasonable expenses, including attorneys' fees, incurred by the Vendor in enforcing its remedies under the terms of this Agreement. In the event that the Vendor shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Vendor may recover reasonable expenses, including attorneys' fees, and the amount thereof shall be included in such judgment.

The foregoing provisions of this Article 17 are subject in all respects to all mandatory legal requirements at the time in force and applicable thereto.

ARTICLE 18. Applicable State Laws. Any provision of this Agreement prohibited by any applicable law of any jurisdiction shall as to such jurisdiction be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby waived by the Railroad to the full extent permitted by law, it being the intention of the parties hereto that this Agreement shall be deemed to be a conditional sale and enforced as such.

Except as otherwise provided in this Agreement, the Railroad, to the full extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of or to sell or lease the Equipment or any unit thereof, and any other requirements as to the time, place and terms of the sale or lease thereof, any other requirements with respect to the enforcement of the Vendor's rights under this Agreement and any and all rights of redemption.

ARTICLE 19. Recording. The Railroad will cause this Agreement, any assignments hereof and any amendments or supplements hereto or thereto to be filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303; and the Railroad will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, deposit and record any and all further instruments required by law or reasonably requested by the Vendor for the purpose of proper protection, to the satisfaction of counsel for the Vendor, of its interest in the Equipment and its rights under this Agreement or for the purpose of carrying out the intention of this Agreement; and the Railroad will promptly furnish to the Vendor certificates or other evidence of such filing, registering, depositing and recording satisfactory to the Vendor.

ARTICLE 20. Payment of Expenses. The Railroad will pay all reasonable costs and expenses (other than the fees and expenses of counsel for the Builders) incident to this Agreement and the first assignment of this Agreement (including the fees and expenses of an agent, if the first assignee is an agent), and any instrument supplemental or related hereto or thereto, including all fees and expenses of Messrs. Cravath, Swaine & Moore, special counsel for the first assignee of this Agreement and for any party acquiring interests in such first assignment, and all reasonable costs

and expenses in connection with the transfer by any party of interests acquired in such first assignment, but excluding all fees and expenses of any other counsel for such parties.

ARTICLE 21. Notice. Any notice hereunder to any of the parties designated below shall be deemed to be properly served if delivered or mailed to it at its chief place of business at the following specified addresses:

(a) to the Railroad, at 210 North 13th Street, St. Louis, Missouri 63103, Attention of C. J. Maurer, Treasurer;

(b) to a Builder, at its address specified in Item 1 of Schedule A hereto; and

(c) to any assignee of the Vendor or of the Railroad, at such address as may have been furnished in writing to each of the other parties hereto by such assignee;

or at such other address as may have been furnished in writing by such party to the other parties to this Agreement.

ARTICLE 22. Article Headings; Effect and Modification of Agreement. All article headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

This Agreement, including the Schedules hereto, exclusively states the rights of the Vendor and the Railroad with respect to the Equipment and supersedes all other agreements, oral or written, with respect to the Equipment. No variation or modification of this Agreement and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Vendor and the Railroad.

ARTICLE 23. Law Governing. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the State of Missouri; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303 and such additional rights arising out of the filing, recording or deposit hereof, if any, and of any assignment hereof as shall be conferred by the laws of the several jurisdictions in which this Agreement

or any assignment hereof shall be filed, recorded or deposited, or in which any unit of the Equipment shall be located, and any rights arising out of the marking of the units of Equipment as provided in Article 7 hereof.

ARTICLE 24. Execution. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart. It shall not be necessary that any counterpart be signed by all the parties. Each Builder shall be bound hereunder notwithstanding the failure of any other Builder to execute and deliver this Agreement or to perform its obligations hereunder. Although this Agreement is dated, for convenience, as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by their officers or other persons, thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, all as of the date first above written.

MISSOURI PACIFIC RAILROAD COMPANY,

by

M. M. Hennelley
Vice President

[Corporate Seal]

Attest:

W. J. Herold
Assistant Secretary

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

by

P. K. Hoglund
Vice President

[Corporate Seal]

Attest:

W. J. Scott
Assistant Secretary

GENERAL ELECTRIC COMPANY,

by M. S. Richardson
General Manager-Locomotive Operations

[Corporate Seal]

Attest:

J. T. Hughes
Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by R. K. Smith
Vice President

[Corporate Seal]

Attest:

M. Hemphill, Jr.
Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by Walter A. Dahl
Vice President

[Corporate Seal]

Attest:

R. W. Polster
~~Assistant~~ Secretary

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this 11th day of April 1980, before me personally appeared M. M. Hennelley , to me personally known, who, being by me duly sworn, says that he is a Vice President of MISSOURI PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Joann Sanders
Notary Public

[Notarial Seal]

My Commission expires
9/10/82

Joann Sanders
Notary Public, State of Missiouri
My Commission Expires Sept. 10, 1982
City of St. Louis

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 8th day of April 1980, before me personally appeared P. K. Hoglund , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

T. K. Piorecki
Notary Public

[Notarial Seal]

My Commission expires

September 18, 1983

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this 9th day of April 1980, before me personally appeared M. S. Richardson , to me personally known, who, being by me duly sworn, says that he is a General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

Judy Crandall
Notary Public
Judy Crandall, Notary Public
Lawrence Park Twp., Erie County
Pennsylvania
My Commission Expires Jan. 16, 1984

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this 10thday of April 1980, before me personally appeared R. K. Smith , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

Evelyn S. Weeks
Notary Public
My Commission Expires
City of Bethlehem
Lehigh County
October 13, 1982

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this 14thday of April 1980, before me personally appeared W. A. Dahl , to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

L. W. Moffett
Notary Public

L.W. Moffett, Notary Public
City of Washington, District of Columbia
My Commission Expires October 14, 1982

My Commission expires

Oct. 14, 1982

SCHEDULE A

to

Conditional Sale Agreement
Dated as of March 1, 1980

Item 1: (a) General Motors Corporation (Electro-Motive Division), a Delaware corporation La Grange, Illinois 60525.

(b) General Electric Company, a New York corporation, 2901 East Lake Road, Erie Pennsylvania 16531.

(c) Bethlehem Steel Corporation, a Delaware corporation, Bethlehem, Pennsylvania 18016, attention of Manager of Railroad Products Sales.

(d) Fruit Growers Express Company, a Delaware corporation, 1101 Vermont Avenue, N.W., Washington, D.C. 20005, attention of the President.

Item 2: [Warranty of Materials and Workmanship] (a) General Motors Corporation (Electro-Motive Division) ("GM") warrants that its Equipment is of the kind and quality described in, or will be built in accordance with, the Specifications therefor referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and is suitable for the ordinary purposes for which such Equipment is used and warrants each unit of its Equipment to be free from defects in material and workmanship which may develop under normal use and service within two years from date of delivery of such unit or before such unit has been operated 250,000 miles, whichever event shall first occur. GM agrees to correct such defects, which examination shall disclose to its satisfaction to be defective, by repair or replacement F.O.B. factory and such correction shall constitute fulfillment of its obligation with respect to such defect under this warranty.

GM warrants specialties not of its own specification or design to the same extent that the suppliers of such specialties warrant such items to GM.

THERE ARE NO WARRANTIES WITH RESPECT TO MATE-

RIAL AND WORKMANSHIP, EXPRESSED OR IMPLIED, MADE BY GM EXCEPT THE WARRANTIES SET OUT ABOVE.

GM further agrees with the railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of the Equipment as provided in said Article 3 shall be deemed a waiver or modification by the Railroad of any of its rights under this Item 2(a).

(b) General Electric Company ("GE") warrants to the Railroad that each unit of Equipment manufactured by it hereunder will be free from defects in material, workmanship and title under normal use and service, and will be of the kind and quality designated or described in the Specifications referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement"). The foregoing warranty is exclusive and in lieu of all other warranties, whether written, oral, implied or statutory (except as to title). NO WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR PURPOSE SHALL APPLY. If it appears within two years from the date of shipment by GE, or within 250,000 miles of operation, whichever event shall first occur, that the Equipment delivered by GE under the Agreement does not meet the warranties specified above, and the Railroad notifies GE promptly, GE, after verification as to condition and usage, shall correct any defect including nonconformance with the Specifications, at its option, either by repairing any defective part or parts made available to GE, or by making available at GE's plant or warehouse a repaired or replacement part. If requested by GE, the Railroad will ship the defective part or parts, with shipping charges prepaid, to the plant or warehouse designated by GE. The foregoing shall constitute the sole remedy of the Railroad and the sole liability of GE in respect of the foregoing.

The liability of GE to the Railroad hereunder (except as to title) arising out of the supplying of any unit of its Equipment or its use, whether on warranty, contract or negligence, shall not in any case exceed the cost of correcting defects in its Equipment as herein provided, and upon the expira-

tion of the warranty period specified above, all such liability shall terminate. GE shall have no liability for any unit of its Equipment or part thereof which becomes defective by reason of improper storage or application, misuse, negligence, accident or improper operation, maintenance, repairs or alterations on the part of the Railroad, or any third party other than GE. In no event, whether as a result of breach of contract, warranty, tort (including negligence) or otherwise, shall GE or its suppliers be liable for any special, consequential, incidental or penal damages including, but not limited to, loss of profits or revenues, loss of the use of its Equipment or any associated equipment, damage to the associated equipment, cost of capital, cost of substitute products, facilities, services or replacements, downtime costs or claims of customers of the Railroad for such damages.

It is understood that GE has the right to make any changes in design and add improvements to equipment at any time without incurring any obligations to install, at GE's expense, the same on other equipment sold by GE.

THERE ARE NO WARRANTIES WITH RESPECT TO MATERIAL AND WORKMANSHIP, EXPRESSED OR IMPLIED, MADE BY GE EXCEPT THE WARRANTIES SET OUT ABOVE.

(c) Bethlehem Steel Corporation ("Bethlehem") warrants that its Equipment will be built in accordance with the Specifications and the standards and requirements set forth in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and warrants its Equipment will be free from defects in material (except as to specialties incorporated therein specified or supplied by the Railroad and not manufactured by Bethlehem) and workmanship under normal use and service, Bethlehem's obligation under this item 2(c) being limited to making good at its plant any part or parts of any unit of its Equipment which shall, within one year after the delivery of such unit to the Railroad, be returned to Bethlehem with transportation charges prepaid and which Bethlehem's examination shall disclose to its satisfaction to have been thus

defective.

The foregoing warranty of Bethlehem is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose, and Bethlehem neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment, except for the patent indemnification included in Item 3 of this Schedule A to the Agreement as aforesaid. It is further understood that in no event shall Bethlehem be liable for indirect or consequential damages of any kind.

Bethlehem further agrees with the Railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of its Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 2(c).

(d) Fruit Growers Express Company ("Fruit Growers") warrants that its Equiment will be built in accordance with the Specifications and the standards and requirements referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and warrants its Equipment will be free from defects in material (except as to specialties incorporated therein and workmanship with respect thereto specified by the Railroad and not manufactured by Fruit Growers) and workmanship under normal use and service. Fruit Growers' liability under this Item 3(d) is limited to repair or replacement at its plant of any part or parts of any unit of its Equipment which shall, within one year after the delivery of such unit of its Equipment to the Railroad (or, in the case of patent defects, within 10 days after delivery), be returned to Fruit Growers with transportation charges prepaid and which examination by Fruit Growers shall disclose to its satisfaction to have been thus defective. Any unit of its Equipment repaired, replaced or altered outside of Fruit Growers' plant, the repair, replacement or alteration of which in Fruit Growers' judgment has adversely affected in any way the strength

and performance of such unit of its Equipment, is removed from this warranty. In no event shall Fruit Growers be liable to anyone for any incidental, special or consequential damages of any kind. The foregoing waranty is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability of fitness for a particular purpose, and Fruit Growers neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment, except for the patent indemnification included in Item 3 of this Schedule A to the Agreement.

Fruit Growers further agrees with the Railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of its Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 3(d).

Item 3: [Patent Indemnities] GM, GE, Bethlehem and Fruit Growers each severally agrees as follows:

Except in cases of articles or materials specified by the Railroad and not manufactured by such Builder and in cases of designs, systems, processes, formulae or combinations specified by the Railroad and not developed or purported to be developed by such Builder, each Builder agrees to indemnify, protect and hold harmless the Railroad from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Railroad, its assigns or the users of the Equipment of such Builder because of the use in or about the construction or operation of any of such Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Railroad likewise will indemnify, protect and hold harmless the Vendor from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against

the Vendor because of the use in or about the construction or operation of any of the Equipment of any article or material specified by the Railroad and not manufactured by the Builder of such Equipment or of any design, system, process, formula or combination specified by the Railroad and not developed or purported to be developed by such Builder which infringes or is claimed to infringe on any patent or other rights. Each Builder agrees to and hereby does, to the extent legally possible without impairing any claim, right or cause of action hereinafter referred to, assign, set over and deliver to the Railroad every claim, right and cause of action which such Builder has or hereafter shall have against the seller or sellers of any designs, systems, processes, formulae, combination, articles or materials specified by the Railroad and purchased or otherwise acquired by such Builder for use in or about the construction or operation of any of the Equipment of such Builder on the ground that any such design, system, process, formula, combination, article or material or operation thereof infringes or is claimed to infringe on any patent or other right. Each Builder further agrees to execute and deliver to the Railroad or the users of the Equipment of such Builder all and every such further assurance as may be reasonably requested by the Railroad more fully to effectuate the assignment and delivery of every such claim, right and cause of action. Each Builder will give notice to the Railroad of any claim known to such Builder from which liability may be charged against the Railroad hereunder and the Railroad will give notice to such Builder of any claim known to the Railroad from which liability may be charged against the Builder hereunder. Such covenants of indemnity shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

Item 4: The Construction and Conditional Sale Agreement dated as of March 1, 1980, between the Railroad and the Agent (the "Other Agreement").

SCHEDULE B

Builder	Type	AAR Mechanical Designation	Builder's Specifications	Builder's Plant	Quantity	Unit Base Price	Total Base Price	Road Numbers (Inclusive)	Estimated Time of Delivery at Builder's Plant
General Motors Corporation (Electro-Motive Division)	SD-40-2 3,000 h.p. diesel electric loco-motives	CC	8087	McCook, Illinois	10	$698,237	$6,982,730	MP 3312-3321	April 1980
General Motors Corporation (Electro-Motive Division)	SD-40-2C 3,000 h.p. diesel electric loco-motives	CC	8087	McCook, Illinois	20	743,423	14,868,460	MP 6054-6073	April 1980
General Motors Corporation (Electro-Motive Division)	GP-38-2 2,000 h.p. diesel electric loco-motives	BB	8090	McCook, Illinois	5	582,233	2,911,165	MP 2198-2202	July 1980
General Electric Company	B-23-7 2,250 h.p. diesel electric loco-motives	BB	3530-D	Erie, Pa.	20	589,514	11,790,280	MP 4650-4669	April-June 1980

SCHEDULE B (Cont'd)

Builder	Type	AAR Mechanical Designation	Builder's Specifications	Builder's Plant	Quantity	Unit Base Price	Total Base Price	Road Numbers (Inclusive)	Estimated Time of Delivery at Builder's Plant
Bethlehem Steel Corporation	100-ton Open-top quad hopper cars	HT	DF 3400-520	Johns-town, Pa.	500	$41,109	$20,554,500	MP 582500-582999	May-July 1980
Fruit Growers Express Company	100-ton box cars	XP	S-467	Alexandria, Va.	28	76,400	2,139,200	MP 269431-269458	July 1980
					Total		$59,246,335		

EXHIBIT B

AGREEMENT AND ASSIGNMENT, dated as of March 1, 1980, between MERCANTILE TRUST COMPANY, N.A., acting as Agent under a Finance Agreement dated as of the date hereof (the "Finance Agreement") (said Agent, so acting, being hereinafter called the "Assignee"), and each of GENERAL MOTORS CORPORATION (Electro-Motive Division), GENERAL ELECTRIC COMPANY, BETHLEHEM STEEL CORPORATION and FRUIT GROWERS EXPRESS COMPANY (hereinafter called collectively the "Builders" or severally the "Builder").

The Builders and Missouri Pacific Railroad Company (the "Railroad") have entered into a Conditional Sale Agreement dated as of the date hereof (the "CSA") covering the construction, sale and delivery, on the conditions therein set forth, by the Builders, severally, and the purchase by the Railroad of the railroad equipment described in Schedule B to the CSA (said equipment being hereinafter called the "Equipment" and the Equipment constructed, sold and delivered by each Builder being hereinafter sometimes called "such Builder's Equipment" or "its Equipment").

NOW, THEREFORE, THIS AGREEMENT AND ASSIGNMENT WITNESSETH: That, in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration paid by the Assignee to each Builder, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained:

SECTION 1. Each Builder hereby assigns, transfers and sets over unto the Assignee, its successors and assigns:

(a) all the right, title and interest of such Builder in and to each unit of its Equipment when and as severally delivered to and accepted by the Railroad, subject to payment by the Assignee to such Builder of the amount required to be paid to such Builder under Section 4 hereof;

(b) all the right, title and interest of such Builder in and to the CSA (except the right to construct and deliver such Builder's Equipment and the right to receive the payments specified in the third paragraph

of Article 3 thereof, in subparagraph (a) of the fourth paragraph of Article 4 thereof, and in the last paragraph of Article 15 thereof and reimbursements for taxes paid or incurred by such Builder as provided in Article 5 thereof), and in and to any and all amounts which may be or become due or owing by the Railroad to such Builder under the CSA in respect of the Purchase Price (as defined in the CSA) of the Equipment and interest thereon, and in and to any other sums becoming due from the Railroad under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) hereof, all such Builder's rights, powers, privileges and remedies under the CSA;

without any recourse against such Builder for or on account of the failure of the Railroad to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify, the liability of such Builder to construct and deliver its Equipment in accordance with the CSA or with respect to its obligations contained or referred to in Article 14 of the CSA, or relieve the Railroad from its obligations to such Builder contained or referred to in Articles 2, 3, 4, 5, 13, 14 and 15 of the CSA, it being understood and agreed that, notwithstanding this Assignment, or any subsequent assignment pursuant to the provisions of Article 15 of the CSA all obligations of such Builder to the Railroad with respect to such Builder's Equipment shall be and remain enforceable by the Railroad, its successors and assigns, against and only against such Builder. In furtherance of the foregoing assignment and transfer, each Builder hereby authorizes and empowers the Assignee, in the Assignee's own name or in the name of the Assignee's nominee, or in the name of and as attorney hereby irrevocably constituted for such Builder, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Assignee is or may become entitled under this Assignment and to ask, demand, sue for and enforce compliance by the Railroad with the terms and agreements on its part to be performed under the CSA, but at the expense and liability and for the sole benefit of the Assignee.

SECTION 2. Each Builder agrees that it shall construct its Equipment in full accordance with the CSA and

will deliver the same upon completion to the Railroad in accordance with the provisions of the CSA; and that, notwithstanding this Assignment, it will perform and fully comply with each of and all the covenants and conditions of the CSA set forth to be performed and complied with by such Builder. Each Builder further agrees that it will warrant to the Assignee and the Railroad that at the time of delivery of each unit of the Equipment of such Builder under the CSA it had legal title to such unit and good and lawful right to sell such unit and that title to such unit was free of all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment); and each Builder further agrees that it will defend the title to each unit of its Equipment against the demands of all persons whomsoever based on claims originating prior to the delivery of such unit by such Builder under the CSA; all subject, however, to the provisions of the CSA and the rights of the Railroad thereunder. No Builder will deliver any of its Equipment to the Railroad under the CSA until the filings and recordations referred to in Article 19 of the CSA have been effected (the respective Builders and their counsel being entitled to rely on advice from special counsel for the Assignee that such filings and recordations have been effected).

SECTION 3. Each Builder agrees with the Assignee that in any suit, proceeding or action brought by the Assignee under the CSA for any installment of, or interest on, indebtedness in respect of the Purchase Price of its Equipment or to enforce any provision of the CSA, such Builder will indemnify, protect and hold harmless the Assignee from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever of the Railroad arising out of a breach by such Builder of any obligation with respect to the Equipment of such Builder or the manufacture, construction, delivery or warranty thereof, or by reason of any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by such Builder. Each Builder's obligation so to indemnify, protect and hold harmless the Assignee is conditional upon (a) the Assignee's timely motion or other appropriate action, on the basis of Article 15 of the CSA, to strike any defense, setoff, counterclaim or recoupment asserted by the Railroad in any such suit, proceeding or action and (b) if the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and accepts such defense, setoff, counterclaim or recoupment as a triable issue in such suit,

proceeding or action, the Assignee's prompt notification to such Builder of the asserted defense, setoff, counterclaim or recoupment and the Assignee's giving such Builder the right, at such Builder's expense, to compromise, settle or defend against such defense, setoff, counterclaim or recoupment.

Except in cases of articles or materials specified by the Railroad and not manufactured by such Builder and in cases of designs, systems, processes, formulae or combinations specified by the Railroad and not developed or purported to be developed by such Builder, each Builder agrees, except as otherwise specifically provided in the CSA, to indemnify, protect and hold harmless the Assignee from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Assignee or its assigns because of the use in or about the construction or operation of any of its Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Assignee will give prompt notice to the appropriate Builder of any such liability or claim actually known to the Assignee and will give such Builder the right, at such Builder's expense, to compromise, settle or defend against such claim. Each Builder agrees that any amounts payable to it by the Railroad with respect to its Equipment, whether pursuant to the CSA or otherwise, not hereby assigned to the Assignee, and amounts payable to the Builder pursuant to supplemental invoices shall not be secured by any lien, charge or security interest upon the Equipment of such Builder or any unit thereof.

SECTION 4. The Assignee, on each Closing Date fixed as provided in Article 4 of the CSA with respect to a Group (as defined in said Article 4) of the Equipment, shall pay to the Builder whose Equipment shall be included in such Group and to each Builder which shall submit a supplemental invoice for settlement on such Closing Date as contemplated in Article 4 of the CSA an amount equal to the portion of the Purchase Price of such Builder's Equipment as shown on the invoice therefor then being settled for which, under the terms of said Article 4, is payable in installments, provided that there shall have been delivered to the Assignee, as provided in Article 15 of the CSA, at least five business days (as defined in said Article 4) prior to such Closing Date, the following documents, in form and scope satisfactory to it and to its special counsel hereinafter mentioned, in

such number of counterparts as may be reasonably requested by said special counsel:

(a) a bill of sale from such Builder to the Assignee confirming the transfer to the Assignee of all right, title and interest of such Builder in such Builder's Equipment in such Group, warranting to the Assignee and to the Railroad that at the time of delivery of such units under the CSA such Builder had legal title to such units and good and lawful right to sell such units and that such units were free of all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment), and covenanting to defend the title to such units against the demands of all persons whomsoever based on claims originating prior to the delivery of such units by such Builder under the CSA;

(b) a Certificate or Certificates of Acceptance with respect to the units of such Builder's Equipment in such Group as contemplated by Article 3 of the CSA;

(c) an invoice of such Builder for the units of such Builder's Equipment in such Group and any supplemental invoice for which settlement is then being made, in each case accompanied by or having endorsed thereon a certification by the Railroad as to the correctness of the prices stated therein;

(d) an opinion of Messrs. Cravath, Swaine & Moore, who are acting as special counsel for the Assignee and the Investors named in the Finance Agreement, dated as of such Closing Date, to the effect that (i) the Finance Agreement, assuming due authorization, execution and delivery by such Investors, has been duly authorized, executed and delivered and is a legal, valid, binding and enforceable instrument, (ii) the CSA has been duly authorized, executed and delivered by the Railroad and such Builder and is a legal, valid and binding instrument, enforceable in accordance with its terms, (iii) this Assignment has been duly authorized, executed and delivered by such Builder and is a legal, valid, binding and enforceable instrument, (iv) the Assignee is vested with all the rights, titles, interests, powers and privileges purported to be assigned to it by this Assignment, (v) the Assignee has title to and a valid and perfected security interest in the units of the Equipment in such Group and such units, at the time of delivery thereof to the Rail-

road under the CSA, were free from all claims, liens, security interests and other encumbrances (other than those created by the CSA), (vi) no approval of the Interstate Commerce Commission or any other governmental authority is necessary for the valid execution and delivery of the Finance Agreement, the CSA, this Assignment or the Railroad's Consent hereto, (vii) the CSA and this Assignment have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 and no other filing or recordation is necessary for the protection of the rights of the Assignee in any state of the United States of America or in the District of Columbia and (viii) registration of the CSA, this Assignment or any certificates of interest delivered pursuant to the Finance Agreement is not required under the Securities Act of 1933, as amended, and qualification of an indenture with respect thereto is not required under the Trust Indenture Act of 1939, as amended; such opinion shall also state that said counsel have examined the opinions being delivered on such Closing Date pursuant to subparagraphs (e) and (f) of this Section 4, that such opinions are satisfactory in form and scope to said counsel and that said counsel believe that the Assignee and Investors are justified in relying thereon; and such opinion shall also cover such other matters including the applicability of 11 U.S.C. § 1168 to the Equipment and any substitutes thereof, as may reasonably be requested by the Assignee or any such Investor;

(e) an opinion of counsel for the Railroad, dated as of such Closing Date, to the effect set forth in clauses (i), (ii), (v), (vi) and (vii) of subparagraph (d) above (said counsel, in rendering such opinion, being permitted to assume due authorization, execution and delivery of the Finance Agreement and this Agreement by parties thereto other than the Railroad) and stating that (i) the Railroad is a duly organized and existing corporation in good standing under the laws of its jurisdiction of incorporation and has the full power and authority to own its properties and to carry on its business as conducted on the date thereof, (ii) this Assignment is a legal, valid, binding and enforceable instrument, and (iii) the execution and delivery by the Railroad of the CSA and the Finance Agreement do not violate any provision of any law, any order of any court or governmental agency, the charter or By-laws of the Railroad, or any indenture, agreement, or other instrument to which the Railroad is a party or by which it, or any of its property is bound, and will not be in conflict with, result in the breach of, or constitute, with due notice or lapse of time or both, a default under, any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Railroad.*

(f) an opinion of counsel for such Builder, dated as of such Closing Date, to the effect set forth in clause (iv) of subparagraph (d) above in respect of its Equipment insofar as such matters relate to such Builder and stating that (i) such Builder is a duly organized and existing corporation in good standing under the laws

* except that the interest or equity of the Railroad in or to the Equipment is subject to the Railroad's First Mortgage and General (Income) Mortgage, both dated January 1, 1955, both of which are subject to and subordinate to the CSA.

of its jurisdiction of incorporation and has the power and authority to own its properties and to carry on its business as conducted on the date thereof, (ii) the CSA has been duly authorized, executed and delivered by such Builder and, assuming due authorization, execution and delivery by the other parties thereto, is a legal and valid instrument binding upon such Builder and enforceable against such Builder in accordance with its terms, (iii) this Assignment has been duly authorized, executed and delivered by such Builder and, assuming due authorization, execution and delivery by the other parties thereto, is a legal, valid, binding and enforceable instrument binding upon such Builder and (iv) the bill of sale delivered by such Builder on such Closing Date is effective to confirm the transfer of the Builder's right, title and interest in the units of the Equipment in such Group to the Assignee and such units, at the time of delivery thereof to the Railroad under the CSA, were free from all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment);

(g) a certificate of the senior financial officer of the Railroad, dated as of such Closing Date, to the effect that (i) to the best of his knowledge and belief, no event of default, or event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default, shall have occurred and is then continuing, (ii) no Federal tax liens (including tax liens filed pursuant to Section 6323 of the Internal Revenue Code of 1954, as amended) and to the best of his knowledge and belief no other tax liens have been filed and are currently in effect which would adversely affect the security interest of the Assignee in the Equipment; and (iii) to the best of his knowledge and belief, the Railroad has not been in default as to principal and interest payments during the five years preceding the Closing Date;

(h) a receipt from such Builder for any payment (other than the payment being made by the Assignee pursuant to the first paragraph of this Section 4) required to be made on such Closing Date to such Builder with respect to the Equipment, unless such payment is made by the Assignee with funds furnished to it for that purpose by the Railroad;

provided, however, that with respect to Equipment for which

a Final Supplemental Invoice (as defined in the CSA) is submitted by any Builder as permitted by Article 4 of the CSA, the only documents which must be delivered to the Assignee are those required by subparagraphs (c) and (h) of this Section 4.

In giving the opinions specified in subparagraphs (d), (e) and (f) of the first paragraph of this Section 4, counsel may qualify any opinion to the effect that any agreement is a legal, valid and binding instrument enforceable in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally. In giving the opinion specified in said subparagraphs (d) and (e), counsel may rely on the opinion of counsel for such Builder as to authorization, execution and delivery by such Builder of the documents executed by such Builder and as to title to the Equipment of such Builder at the time of delivery thereof under the CSA; and in giving the opinion specified in said subparagraph (d), counsel may rely as to any matter governed by the law of any jurisdiction other than New York or the United States on the opinion of counsel for the Railroad as to such matter; and in giving the opinion specified in said subparagraph (e), counsel may rely on the bill of sale and opinion of counsel for such Builder as to claims, liens, security interests and other encumbrances arising from, through or under such Builder.

The obligation of the Assignee hereunder to make any payment provided for in this Section 4 is hereby expressly conditioned upon the Assignee's having on deposit, pursuant to the terms of the Finance Agreement, sufficient funds available thereunder to make such payment. The Assignee shall not be obligated to make payment at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 of the CSA or if an event of default, or any event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default, shall have occurred and be continuing under the CSA. In the event that the Assignee shall not make payment for any Group of the Equipment on any scheduled Closing Date as the same may from time to time be postponed, the Assignee shall be deemed to have reassigned to such Builder, without recourse to the Assignee, all right, title and interest of the Assignee in and to the units of the Equipment with respect to which payment has not been made by the Assignee, and at the request

of such Builder, confirm in writing such reassignment. In the event that the Assignee shall not make payment for any Final Supplemental Invoice on any scheduled Closing Date as the same may from time to time be postponed, the sole remedy of the Builder in respect thereof shall be an unsecured claim for the amount thereof against the Railroad and the payment thereof to the Builder shall not be secured by any lien, charge or security interest upon the Equipment of such Builder or any unit thereof.

SECTION 5. The Assignee may assign all or any of its rights under the CSA, including the right to receive any payments due or to become due to it from the Railroad thereunder. In the event of any such assignment any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

SECTION 6. Each Builder hereby severally:

(a) represents and warrants to the Assignee, its successors and assigns, that the CSA was duly authorized by it and lawfully executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by the Railroad, the CSA is, insofar as such Builder is concerned, a valid and existing agreement binding upon it and the Railroad in accordance with its terms and that it is now in force without amendment thereto;

(b) agrees that it will from time to time and at all times, at the request of the Assignee or its successors or assigns, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be; and

(c) agrees that, upon request of the Assignee and provided that the Assignee shall have made all payments which the Assignee is required by this Assignment to make to such Builder, its successors and assigns, it will execute any and all instruments which may be neces-

sary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of such Builder therein or in the Equipment of such Builder.

SECTION 7. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of Missouri; provided, however, that the parties shall be entitled to all the rights conferred as provided in Article 23 of the CSA.

SECTION 8. Although this Assignment is dated for convenience as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 9. This Assignment may be executed in any number of counterparts, all of which together shall constitute a single instrument. Each Builder shall be bound hereunder notwithstanding the failure of the other Builder to execute and deliver this Assignment or to perform its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

MERCANTILE TRUST COMPANY, N.A.,
As Agent,

by
Elden R. Stennberg
Vice President

[Corporate Seal]

Attest:

Victor Zarrilli
Assistant Secretary

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

by P. K. Hoglund
Vice President

[Corporate Seal]

Attest:

W. J. Scott
Assistant Secretary

GENERAL ELECTRIC COMPANY,

by M. S. Richardson
General Manager-Locomotive Operations

[Corporate Seal]

Attest:

J. T. Hughes
Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by R. K. Smith
Vice President

[Corporate Seal]

Attest:

M. Hemphill, Jr.
Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by Walter A. Dahl
Vice President

[Corporate Seal]

Attest:

R. W. Polster
~~Assistant~~ Secretary

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this 11thday of April 1980, before me personally appeared Elden R. Stennberg , to me personally known, who, being by me duly sworn, says that he is a Vice President of MERCANTILE TRUST COMPANY, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Dorothy Pusczek
Notary Public

[NOTARIAL SEAL] Dorothy Pusczek

My Commission expires
August 25, 1980

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 8th day of April 1980, before me personally appeared P. K. Hoglund , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (Electro-Motive Division), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

T. K. Piorecki
Notary Public

[Notarial Seal]

My Commission expires
September 18, 1983

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this 9th day of April 1980, before me personally appeared M. S. Richardson , to me personally known, who, being by me duly sworn, says that he is General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Judy Crandall
Notary Public
Judy Crandall, Notary Public
Lawrence Park Twp. Erie County, Penna.
My Commission Expires January 16, 1984

[Notarial Seal]

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this 10th day of April 1980, before me personally appeared R. K. Smith , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Evelyn S. Weeks
Notary Public
My Commission Expires
City of Bethlehem
Lehigh County
October 13, 1982

[Notarial Seal]

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this 14th day of April 1980, before me personally appeared W. A. Dahl, to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

L. W. Moffett
Notary Public

[Notarial Seal]

My Commission expires
October 14, 1982

L. W. Moffett, Notary Public
City of Washington, District of Columbia
My Commission Expires October 14, 1982

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

MISSOURI PACIFIC RAILROAD COMPANY hereby acknowledges due notice of and consents to the assignment made by the foregoing Agreement and Assignment as of March 1, 1980.

MISSOURI PACIFIC RAILROAD COMPANY,

by M. M. Hennelley
Vice President

[CS&M Ref. 2043-986]

AMENDMENT AGREEMENT NO. 3, dated as of July 31, 1980, among Missouri Pacific Railroad Company (the "Railroad"), General Motors Corporation (Electro-Motive Division), General Electric Company, Bethlehem Steel Corporation, Greenville Steel Car Company, and Fruit Growers Express Company (collectively called the "Builders" and individually called "GM", "GE", "Bethlehem", "Greenville" and "Fruit Growers", respectively), and Mercantile Trust Company, N.A. (the "Assignee").

WHEREAS the Railroad and the Builders (except Greenville) have entered into a Conditional Sale Agreement dated as of March 1, 1980 (the "Conditional Sale Agreement"), providing for the construction, sale and delivery of certain items of railroad rolling stock specified in Schedule B thereto (the "Equipment");

WHEREAS the Builders (except Greenville) and the Assignee have entered into an Agreement and Assignment dated as of March 1, 1980 (the "Assignment"), assigning to the Assignee the rights of such Builders under the Conditional Sale Agreement therein specified;

WHEREAS the Conditional Sale Agreement and the Assignment were filed and recorded with the Interstate

Commerce Commission pursuant to 49 U.S.C. § 11303 on April 14, 1980, at 2:25 p.m., and were assigned recordation number 11671;

WHEREAS the Conditional Sale Agreement and the Agreement and Assignment were amended by Amendment Agreement No. 1 dated as of April 1, 1980, among the Railroad, GE and the Assignee ("Amendment Agreement No. 1");

WHEREAS Amendment Agreement No. 1 was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 24, 1980, at 1:35 p.m., and was assigned recordation number 11671-A;

WHEREAS the Conditional Sale Agreement and the Agreement and Assignment were amended by Amendment Agreement No. 2 dated as of May 1, 1980, among the Railroad, Bethlehem and the Assignee ("Amendment Agreement No. 2");

WHEREAS Amendment Agreement No. 2 was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on May 15, 1980, at 3:50 p.m., and was assigned recordation number 11671-B;

WHEREAS the Railroad and the Builders desire to amend the Conditional Sale Agreement by excluding from the Equipment the units which were to be manufactured and sold by Fruit Growers, and to substitute therefor certain units of equipment to be manufactured and sold by Greenville and hav-

ing a useful life at least equal to the useful life of the excluded equipment, all as more specifically set forth below;

WHEREAS the Assignee and the Builders propose to amend the Assignment to reflect the amendments to the Conditional Sale Agreement herein referred to; and

WHEREAS this substitution of Equipment is authorized by the third paragraph of Paragraph 2 of the Finance Agreement without the consent of the Investors.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and of other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto hereby agree as follows:

1. The reference to "Fruit Growers Express Company" is hereby deleted from the first introductory paragraph of the Finance Agreement dated as of March 1, 1980, among the Railroad, the Assignee and the investors named in Schedule A thereto and "Greenville Steel Car Company" is hereby substituted therefor.

2. Schedule B of the Conditional Sale Agreement is hereby amended to delete the following units of Equipment:

Builder:	Fruit Growers Express Company
Type:	100-ton Boxcars

AAR Mechanical Designation:	XP
Builder's Specifications:	S-467
Builder's Plant:	Alexandria, Virginia
Quantity:	28
Unit Base Price:	$76,400
Total Base Price:	$2,139,200
Road Numbers or Serial Numbers (Inclusive):	MP269431-MP269458
Estimated Time of Delivery at Builder's Plant:	July 1980

3. The Conditional Sale Agreement, a counterpart of which is attached hereto and incorporated herein by reference, is hereby amended by (w) by deleting the last sentence of the first paragraph of Article 3 thereof, (x) deleting all references to Fruit Growers and substituting as a party thereto, Greenville, which shall be deemed included for all purposes as a "Builder" therein, (y) amending and restating Item 1(d) and Item 2(d) of Schedule A to the Conditional Sale Agreement as set forth in Schedule A attached hereto, and deleting "Fruit Growers" and substituting therefor "Greenville" in Item 3, and (z) adding to Schedule B to the Conditional Sale Agreement the information with respect to equipment to be built by Greenville, as set forth in Schedule B hereto.

4. The Assignment, a counterpart of which is

attached hereto and incorporated herein by reference, is hereby amended (x) by deleting all references to Fruit Growers and substituting as a party thereto, Greenville, which shall be deemed included for all purposes as a "Builder" therein, and (y) by adding after the word "hereof" in the third line of the introductory paragraph thereof the words "as amended by Amendment Agreement No. 1 dated as of April 1, 1980, Amendment Agreement No. 2 dated as of May 1, 1980, and Amendment Agreement No. 3 dated as of July 31, 1980".

5. The Assignee hereby consents to the foregoing amendments to the Conditional Sale Agreement and the Assignment and the addition of Greenville as a party to each thereof.

6. The Railroad will promptly cause this Amendment Agreement to be filed and recorded in accordance with the provisions of Article 19 of the Conditional Sale Agreement prior to the delivery of any Equipment by Greenville under the Conditional Sale Agreement.

7. Except as hereby or heretofore amended, the Conditional Sale Agreement and the Assignment shall remain unaltered and in full force and effect.

8. This Amendment Agreement shall be governed and construed in accordance with the laws of the State of Missouri; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

9. This Amendment Agreement may be executed in several counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party shall execute a counterpart thereof.

IN WITNESS WHEREOF, the parties hereto have caused their names to be signed hereto by their respective officers thereunto duly authorized, and their respective corporate seals, duly attested, to be hereunto affixed as of the day and year first above written.

MISSOURI PACIFIC RAILROAD COMPANY,

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

MERCANTILE TRUST COMPANY, N.A.,

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

GREENVILLE STEEL CAR COMPANY,

by

Chairman of the Board

[Corporate Seal]

Attest:

Assistant Secretary

GENERAL MOTORS CORPORATION
(Electro-Motive Division),

by

Vice President

[Corporate Seal]

Attest:

Assistant Secretary

GENERAL ELECTRIC COMPANY,

by

General Manager-
Locomotive Operations

[Corporate Seal]

Attest:

Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by

Vice President

[Corporate Seal]

Attest:

Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by

Vice President

[Corporate Seal]

Attest:

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of MISSOURI PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires:

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of MERCANTILE TRUST COMPANY, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation and that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires:

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF MERCER,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is Chairman of the Board of GREENVILLE STEEL CAR COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires:

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 7th day of August 1980, before me personally appeared P. K. HOGLUND , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (Electro-Motive Division), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

T. K. Lasecki
Notary Public

[Notarial Seal]

My Commission expires: September 18, 1983

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires

Schedule A

Item 1: (d) Greenville Steel Car Company, a Pennsylvania corporation, Union Street, Greenville, Pennsylvania 16125.

Item 2: [Warranty of materials and Workmanship] (d) Greenville Steel Car Company ("Greenville") warrants that its Equipment will be built in accordance with the Specifications and the standards and requirements set forth or referred to in Article 2 of this Agreement and warrants that its Equipment will be free from defects in material (except as to specialties incorporated therein specified by the Railroad and not manufactured by Greenville) and workmanship and design (except as to designs specified by the Railroad and not developed by Greenville) under normal use and service, Greenville's obligation under this Item 2(d) being limited to making good at its plant any part or parts of any unit of its Equipment which shall, within ~~two~~ one year or 50,000 miles, whichever occurs first, after the delivery of such units of its Equipment to the Railroad, be returned to Greenville with transportation charges prepaid and which examination by Greenville shall disclose to its satisfaction to have been thus defective. In no event shall Greenville be liable to anyone for any incidental, special or consequential damages of any kind. The foregoing warranty is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose, except for its obligations or liabilities under Articles 2, 3, 4 and 14 of the Agreement, and Item 3 below, and Greenville neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment.

Greenville agrees to use its best efforts to include, as a condition of its purchase order with the vendor of any specialty purchased by Greenville for incorporation in the Equipment manufactured by it, an agreement by such vendor to the effect that all warranty agreements and representations, if any, made by such vendor with respect to such specialty may be enforced by the

Railroad, in the Railroad's own name, by Greenville, in Greenville's own name, or by Greenville and the Railroad jointly; provided, however, that if any vendor does not accept such an agreement and Greenville so notifies the Railroad, Greenville shall have no obligation to the Railroad under this sentence if such an agreement is not contained in any such purchase order. Greenville further agrees that, whether or not such an agreement is contained in any such purchase order, the Railroad as well as Greenville may to the extent permitted by law take and prosecute claims against vendors of specialties purchased by Greenville for incorporation in the Equipment manufactured by Greenville for the breach of any warranty by the vendors with respect to such specialties. Greenville and the Railroad each agree to notify the other prior to the assertion of any claim by them against any such vendors of specialties. If Greenville determines that it has no interest in any such claim asserted by the Railroad, Greenville agrees to assign to the Railroad, solely for the purpose of making and prosecuting any such claim, all of the rights which Greenville has against such vendor for the breach of warranty or other representation respecting the Equipment manufactured by it. The word "specialties" as used herein shall be deemed to include articles, materials, systems, formulae and processes.

Greenville further agrees with the Railroad that neither the inspection as provided in Article 3 of this Agreement, nor any examination, nor the acceptance of any units of the Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 2(d).

Schedule B

Builder:	Greenville Steel Car Company
Type:	100-ton Wood Chip Hopper Cars
AAR Mechanical Designation:	HTS
Builder's Specifications:	H-6043B
Builder's Plant:	Greenville, Pennsylvania
Quantity:	35
Unit Base Price:	$58,300
Total Base Price:	$2,040,500
Road Numbers or Serial Numbers (Inclusive):	MP592950- MP592984
Estimated Time and Place of Delivery at Builder's Plant:	OCTOBER December 1980 ~~November~~ 1980--~~January 1981~~

EXHIBIT A

[CS&M 2043-986]

CONDITIONAL SALE AGREEMENT

Dated as of March 1, 1980

Between each of

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

GENERAL ELECTRIC COMPANY,

BETHLEHEM STEEL CORPORATION

and

FRUIT GROWERS EXPRESS COMPANY

and

MISSOURI PACIFIC RAILROAD COMPANY

AGREEMENT AND ASSIGNMENT

Dated as of March 1, 1980

Between each of

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

GENERAL ELECTRIC COMPANY,

BETHLEHEM STEEL CORPORATION

and

FRUIT GROWERS EXPRESS COMPANY

and

MERCANTILE TRUST COMPANY, N.A.,
as Agent.

Filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 14, 1980, at 2:25 p.m., recordation number 11671, and conformed to reflect Amendment Agreements dated as of April 1, 1980, and May 1, 1980, respectively, filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 24, 1980, at 1:35p.m., recordation number 11671-A, and May 15, 1980, at 3:50 p.m., recordation number 11671-B, respectively.

CONDITIONAL SALE AGREEMENT

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SCHEDULE A--Miscellaneous

SCHEDULE B--Specifications

CONDITIONAL SALE AGREEMENT dated as of March 1, 1980, between each of GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION), GENERAL ELECTRIC COMPANY, BETHLEHEM STEEL CORPORATION and FRUIT GROWERS EXPRESS COMPANY (collectively the "Builders" or severally the "Builder", or collectively or severally the "Vendor" as the context may require, all as more particularly set forth in Article 1 hereof), and MISSOURI PACIFIC RAILROAD COMPANY, a Delaware corporation (the "Railroad").

The Builders severally have agreed to construct, sell and deliver to the Railroad, and the Railroad has agreed to purchase, the equipment described in Schedule B hereto (the "Equipment").

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

ARTICLE 1. Certain Definitions. The term "Vendor", whenever used in this Agreement, means, before any assignment of any of their rights hereunder, the respective corporations named in Item I of Schedule A hereto and any successor or successors for the time being to their manufacturing properties and businesses, and, after any such assignment, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also any assignor as regards any rights hereunder that are retained or excluded from any assignment. The parties hereto contemplate that this Agreement shall be assigned to Mercantile Trust Company, N.A., acting as agent under a Finance Agreement dated as of the date hereof (said agent being hereinafter sometimes called the "Agent" and said Finance Agreement being hereinafter called the "Finance Agreement"). The term "Builder", whenever used in this Agreement, means, both before and after any such assignment, the respective corporations (as to the units of Equipment to be constructed by such corporation and sold hereunder) named in Item 1 of Schedule A hereto and any successor or successors for the time being to their respective manufacturing properties and businesses.

The rights and obligations of the Builders under this Agreement are several in accordance with their interests

and not joint. Accordingly, whenever this Agreement, by the use of such designation as "the Vendor", "such Builder" or other similar term, confers a right or imposes an obligation upon any corporation named in Item 1 of Schedule A hereto or its successor, such right or obligation shall be construed to accrue to or to be enforceable against only the specific corporation furnishing the units of Equipment giving rise to such right or obligation and its successors as herein provided.

ARTICLE 2. Construction and Sale. Pursuant to this Agreement, each Builder shall construct the units of the Equipment to be constructed by it as described in Schedule B hereto (such units of Equipment with respect to such Builder being hereinafter called "its Equipment") at its plant set forth in said Schedule B and will sell and deliver to the Railroad, and the Railroad will purchase from such Builder and accept delivery of and pay for (as hereinafter provided), such Equipment, each unit of which shall be constructed in accordance with the specifications set forth or referred to therefor in Schedule B hereto and in accordance with such modifications thereof as may be agreed upon in writing between such Builder and the Railroad (which specifications and modifications, if any, are hereinafter called the "Specifications"). The design, quality and component parts of each unit of the Equipment shall conform, on the date of completion of manufacture of each thereof, to all Department of Transportation and Interstate Commerce Commission requirements and specifications and to all standards recommended by the Association of American Railroads reasonably interpreted as being applicable to equipment of the character of such units of the Equipment and each unit of the Equipment will be new railroad equipment.

ARTICLE 3. Inspection and Delivery. Each Builder will deliver the units of its Equipment to the Railroad at the place or places specified in Schedule B hereto (or if said Schedule B does not specify a place or places, at the place or places designated from time to time by the Railroad), freight charges, if any, prepaid and for the account of the Railroad in accordance with the delivery schedule set forth in Schedule B hereto; provided, however, that no Builder shall have any obligation to deliver any unit of Equipment hereunder at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 hereof or if any event of default (as described in said Article 16), or event which with the lapse of time and/or demand could

constitute such an event of default, shall have occurred and be continuing. It is agreed between the Railroad and Fruit Growers Express Company that the obligation of Fruit Growers Express Company to construct the units of its Equipment is subject to its constructing the same type of equipment for Consolidated Rail Corporation.

Each Builder's obligation as to time of delivery is subject, however, to delays resulting from causes beyond such Builder's reasonable control, including but not limited to acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities, delays in receiving necessary materials or delays of carriers or subcontractors.

Notwithstanding the preceding provisions of this Article 3, any Equipment not delivered, accepted and settled for pursuant to Article 4 hereof on or before the Cut-Off Date (as defined in Article 4 hereof) shall be excluded herefrom. If any unit or units of Equipment shall be excluded from this Agreement pursuant to the preceding sentence, the Builder or Builders of such unit or units and the Railroad shall execute an agreement supplemental hereto limiting this Agreement to the units of Equipment not so excluded herefrom. If a Builder's failure to deliver Equipment so excluded from this Agreement resulted from one or more of the causes set forth in the immediately preceding paragraph, the Railroad shall nevertheless be obligated to accept such Equipment and pay the full purchase price therefor, determined as provided in this Agreement, if and when such Equipment shall be completed and delivered by such Builder, such payment to be in cash on the delivery of such Equipment, either directly or, in case the Railroad shall arrange therefor, by means of a conditional sale agreement, equipment trust or such other appropriate method of financing as the Railroad shall determine and as shall be reasonably acceptable to such Builder.

During construction, the Equipment shall be subject to inspection and approval by the authorized inspectors of the Railroad and each Builder shall grant to such authorized inspectors reasonable access to its plant. Each Builder agrees to inspect all materials used in the construction of

its Equipment in accordance with the standard quality control practices of such Builder. Upon completion of each unit or of a number of units of the Equipment, such unit or units shall be presented to an inspector of the Railroad for inspection at the place specified for delivery of such unit or units, and if each such unit conforms to the Specifications, requirements and standards applicable thereto, such inspector or an authorized representative of the Railroad shall execute and deliver to such Builder a certificate of acceptance (the "Certificate of Acceptance") stating that such unit or units have been inspected and accepted on behalf of the Railroad and are marked in accordance with Article 7 hereof; provided, however, that such Builder shall not thereby be relieved of its warranty referred to in Article 14 hereof.

On delivery to and acceptance by the Railroad of each such unit hereunder at the place specified for delivery, the Railroad will assume the responsibility and risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of such unit.

ARTICLE 4. Purchase Price and Payment. The base price or prices per unit of the Equipment are set forth in Schedule B hereto. Such base price or prices are subject to such increase or decrease as is agreed to by the Builder thereof and the Railroad. The term "Purchase Price" as used herein shall mean the base price or prices as so increased or decreased, including without limitation any increase pursuant to the presentation of a supplemental invoice as hereinafter provided, plus off-line freight charges, if any.

If the aggregate Purchase Price shall exceed $59,172,500, the Builder or Builders (and any assignee of the Builders) and the Railroad, unless waived by the Railroad, will enter into an agreement excluding from this Agreement such unit or units of Equipment then proposed to be settled for and specified by the Railroad, as will, after giving effect to such exclusion, reduce the aggregate Purchase Price of the Equipment under this Agreement to not more than $59,172,500, and the Railroad agrees to purchase any such unit or units so excluded from this Agreement from the Builder thereof for cash on the date such unit or units would otherwise have been settled for under this Agreement either directly, or by means of a conditional sale, equipment trust or other appropriate method of financing as the Railroad

shall determine and shall be reasonably acceptable to such Builder.

For the purpose of making settlement, the Equipment of each Builder shall be divided into such number of groups of units of the Equipment, delivered to and accepted by the Railroad (each such group being hereinafter called a "Group"), as such Builder and the Railroad may agree to.

The Railroad hereby acknowledges itself to be indebted to the Vendor in the amount of, and hereby promises to pay in cash to the Vendor at such place as the Vendor may designate, the Purchase Price of the Equipment, as follows:

(a) on each Closing Date (as hereinafter defined) an amount equal to (i) 20% of the Purchase Price of all units of the Equipment for which settlement is then being made, as stated in the invoice or invoices presented (including the supplemental invoice or invoices hereinafter provided for) in respect of such Closing Date (said invoiced prices being herein called the "Invoiced Purchase Prices") plus (ii) the amount, if any, by which the Invoiced Purchase Price of all units of the Equipment for which settlement has theretofore or is then being made, exceeds $47,338,000; and

(b) in 15 consecutive equal annual installments, as hereinafter provided, an amount equal to the aggregate of the Invoiced Purchase Prices for all the Equipment less the amount paid or payable with respect thereto pursuant to subparagraph (a) of this paragraph (the aggregate of said installments being hereinafter called the "CSA Indebtedness").

In the event that on any Closing Date the final Purchase Price of any Group has not been determined, the invoice presented may be for an estimated Purchase Price (as evidenced by the words "Interim Invoice" written on the face of such invoice), subject to adjustment upon determination of the final Purchase Price, and a supplemental invoice may be presented by the appropriate Builder at least 10 days prior to any subsequent Closing Date for settlement on such subsequent Closing Date for any increase in the Purchase Price. Any prior preliminary invoice or invoices presented by such Builder shall be in an amount not in excess of the final Purchase Price of such Group. One final supplemental invoice (the "Final Supplemental Invoice") may be presented

by a Builder after the last Closing Date on which a Certificate or Certificates of Acceptance is presented for the last Group of Equipment provided by such Builder; provided, however, that the Final Supplemental Invoice may only be presented on or prior to June 1, 1981 (the "Cut-Off Date"), and that the notation "Final Supplemental Invoice" shall appear on the face thereof.

The installments of the CSA Indebtedness payable pursuant to subparagraph (b) of the fourth paragraph of this Article 4 shall be payable annually on June 1 in each year commencing on June 1, 1981, to and including June 1, 1995, or, if any such date is not a business day, on the next succeeding business day. The unpaid portion of the CSA Indebtedness shall bear interest from the respective Closing Dates on which such indebtedness was incurred at a rate of 12-3/4% per annum from the Closing Date on which such indebtedness was incurred; provided, however, that interest on the investment of The Northern Trust Company (the "Interim Investor" as defined in the Finance Agreement) in the CSA Indebtedness incurred hereunder shall be payable for the period from the Closing Date or Dates with respect thereto until August 8, 1980, at a rate per annum equal to the rate of interest in effect from time to time during such period charged by the Interim Investor for prime commercial loans of 90-day maturities to its corporate borrowers of the highest credit rating (the "Prime Rate"), and after August 8, 1980, at the rate of 12-3/4% per annum. All such interest shall be payable, to the extent accrued, on June 1 and December 1 in each year, commencing December 1, 1980, or, if any such date is not a business day, on the next succeeding business day; provided, however, that interest payable pursuant to the proviso to the preceding sentence shall be payable on August 8, 1980.

The term "Closing Date" with respect to any Group of the Equipment shall mean such date (on or after April 8, 1980, and on or prior to the Cut-Off Date), not more than 10 business days following presentation by the Builder of the Equipment in such Group to the Railroad of the invoice and the Certificate or Certificates of Acceptance for such Group, as shall be fixed by the Railroad by written notice delivered to the Vendor at least 5 business days prior to the Closing Date designated therein; provided, however, that the aggregate of the Invoiced Purchase Prices of all Equipment settled for pursuant to this Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) on any Closing Date shall not exceed 125% of the amount then on deposit with the

Vendor pursuant to the Finance Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) under which the Vendor is acting as agent for the institutional investors therein named. The term "business days" as used herein means calendar days, excluding Saturdays, Sundays and any other day on which banking institutions in St. Louis, Missouri, or New York, New York, are authorized or obligated to remain closed.

All interest under this Agreement shall be calculated on the basis of a 360-day year of 12 30-day months.

The Railroad will pay, to the extent legally enforceable, interest at the rate of 13-3/4% per annum (or 1% per annum over the Prime Rate then in effect in the case of the Interim Investor) upon all amounts remaining unpaid after the same shall have become due and payable pursuant to the terms hereof, anything herein to the contrary notwithstanding.

All payments provided for in this Agreement shall be made in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. Except as provided in Article 8 hereof, the Railroad shall not have the privilege of prepaying any installment of its indebtedness hereunder prior to the date it becomes due.

In the event the Vendor, pursuant to Article 15 hereof, assigns the right to receive the payments herein provided to be made by the Railroad, the assignee thereof may request the Railroad to make and the Railroad shall make such payments to it at such address as shall be supplied to the Railroad by the assignee.

ARTICLE 5. Taxes. All payments to be made by the Railroad hereunder will be free of expense to the Vendor for collection or other charges and will be free of expense to the Vendor with respect to the amount of any local, state, Federal or foreign taxes (other than net income, gross receipts [except gross receipts taxes in the nature of or in lieu of sales or use taxes], excess profits and similar taxes) or license fees, assessments, charges, fines or penalties hereafter levied or imposed upon or in connection with or measured by, this Agreement or any sale, use, payment, shipment, delivery or transfer of title under the terms hereof (all such expenses, taxes, license fees, assessments, charges, fines and penalties being hereinafter called "impositions"), all of which impositions the Railroad assumes and

agrees to pay on demand. The Railroad will also pay promptly all impositions which may be imposed upon the Equipment delivered to it or for the use or operation thereof or upon the earnings arising therefrom or upon the Vendor solely by reason of its interest therein and will keep at all times all and every part of the Equipment free and clear of all impositions which might in any way affect the security interest of the Vendor or result in a lien upon any part of the Equipment; provided, however, that the Railroad shall be under no obligation to pay any impositions of any kind so long as it is contesting in good faith and by appropriate legal proceedings such impositions and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the interest or rights of the Vendor in or to the Equipment or otherwise under this Agreement. If any such impositions shall have been charged or levied against the Vendor directly and paid by the Vendor, the Railroad shall reimburse the Vendor upon presentation of an invoice therefor, and any amounts so paid by the Vendor shall be secured by and under this Agreement; provided, however, that the Railroad shall not be obligated to reimburse the Vendor for any impositions so paid unless the Vendor shall have been legally liable with respect thereto (as evidenced by an opinion of counsel for the Vendor) or unless the Railroad shall have approved the payment thereof.

ARTICLE 6. Title to the Equipment. The Vendor shall and hereby does retain title to and a security interest in the Equipment until the Railroad shall have made all its payments under this Agreement and shall have kept and performed all its agreements herein contained, notwithstanding the delivery of the Equipment to and the possession and use thereof by the Railroad as provided in this Agreement. Any and all additions to the Equipment and any and all replacements of the Equipment and of parts thereof and additions thereto shall constitute accessions to the Equipment and shall be subject to all the terms and conditions of this Agreement and included in the term "Equipment" as used in this Agreement.

Except as otherwise specifically provided in Article 8 hereof, when and only when the full indebtedness in respect of the Purchase Price of the Equipment, together with interest and all other payments as herein provided, shall have been paid by the Railroad, and all the Railroad's obligations herein contained shall have been performed by the Railroad, absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the

Railroad without further transfer or action on the part of the Vendor. However, the Vendor, if so requested by the Railroad at that time, will (a) execute a bill or bills of sale for the Equipment transferring and releasing its interest therein to the Railroad, or upon its order, free of all claims, liens, security interests and other encumbrances created or retained hereby and deliver such bill or bills of sale to the Railroad at its address referred to in Article 21 hereof, (b) execute and deliver at the same place, for filing, recording or depositing in all necessary public offices, such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the release of the security interest of the Vendor in the Equipment and (c) pay to the Railroad any money paid to the Vendor pursuant to Article 8 hereof and not theretofore applied as therein provided. The Railroad hereby waives and releases any and all rights, existing or that may be acquired, in or to the payment of any penalty, forfeit or damages for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file any certificate of payment in compliance with any law or statute requiring the filing of the same, except for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file such certificate within a reasonable time after written demand by the Railroad.

ARTICLE 7. Marking of the Equipment. The Railroad will cause each unit of the Equipment to be kept numbered with its identifying number as set forth in Schedule B hereto, or in the case of Equipment not there listed such identifying number as shall be set forth in any amendment or supplement hereto extending this Agreement to cover such Equipment, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each unit, in letters not less than one inch in height, the words "Ownership Subject to a Security Agreement Filed with the Interstate Commerce Commission", or the name of the Vendor followed by the words "Agent, Owner", or other appropriate markings approved by the Vendor with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Vendor's interest in the Equipment and its rights under this Agreement. The Railroad will not place any such unit in operation or exercise any control or dominion over the same until such markings have been made thereon and will replace promptly any such markings which may be removed, defaced or destroyed. The Railroad will not change the number of any unit of the Equipment except in accordance with

a statement of new number or numbers to be substituted therefor, which statement previously shall have been filed with the Vendor by the Railroad and filed, recorded and deposited by the Railroad in all public offices where this Agreement shall have been filed, recorded and deposited.

Except as provided in the immediately preceding paragraph, the Railroad will not allow the name of any person, association or corporation to be placed on any unit of the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Railroad may cause the Equipment to be lettered with the names or initials or other insignia of the Railroad or its affiliates.

ARTICLE 8. Casualty Occurrences; Insurance. In the event that any unit of the Equipment shall be worn out, lost, stolen, destroyed, irreparably damaged or otherwise rendered permanently unfit for use from any cause whatsoever, or taken or requisitioned by condemnation or otherwise or the Purchase Price (or any portion thereof) of any unit shall have been refunded by a Builder pursuant to such Builder's patent indemnities therefor as set forth in Item 3 of Schedule A hereto (such occurrences being hereinafter called "Casualty Occurrences"), the Railroad shall promptly and fully inform the Vendor in regard thereto (after it has knowledge of such Casualty Occurrence). When the aggregate Casualty Value (as defined herein and in the Other Agreement as defined in Item 4 of Schedule A hereto) of all units of the Equipment and all units of the railroad equipment covered by the Other Agreement having suffered a Casualty Occurrence (exclusive of units having suffered a Casualty Occurrence with respect to which a payment shall have been made to the Vendor pursuant to this Article 8 or Article 8 of the Other Agreement) hereunder shall exceed $250,000 (or such lesser amount as the Railroad may elect), the Railroad, within 30 days after it has knowledge of such event, shall promptly pay to the Vendor a sum equal to the aggregate Casualty Value of such units of the Equipment as of the date of such payment and shall file with the Vendor a certificate of an officer of the Railroad setting forth the Casualty Value of each unit of the Equipment suffering a Casualty Occurrence.

So long as no event of default shall have occurred and be continuing, any money paid to the Vendor pursuant to the preceding paragraph of this Article 8 shall be used, as the Railroad shall direct in a written instrument filed with the Vendor not less than 10 days prior to the due date of the

next annual installment of CSA Indebtedness, in whole or in part, to prepay installments of CSA Indebtedness or toward not more than 80% of the cost of a unit or units of new standard-gauge railroad equipment (other than passenger or work equipment of types other than locomotives), to replace units suffering a Casualty Occurrence and the Railroad shall pay the balance of such cost of replacement equipment, in addition to the Casualty Value payment provided above; provided, however, that the total fair value of all cabooses and locomotives which will be subject to this Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) will not exceed 6% and 59% respectively of all Equipment (and its cash equivalent) subject to this Agreement and the Other Agreement. In case any money is applied pursuant to this Article 8 to prepay indebtedness, it shall be so applied to reduce each installment of CSA Indebtedness thereafter falling due pro rata.

The Casualty Value of each unit of the Equipment (other than a replacement unit) shall be deemed to be that amount which bears the same ratio to the original Purchase Price thereof (less an amount which bears the same ratio to the aggregate of all payments made by the Railroad pursuant to subparagraph (a) of the fourth paragraph of Article 4 hereof as the original Purchase Price of such unit bears to the original aggregate Purchase Price of all the Equipment) as the unpaid CSA Indebtedness (without giving effect to any prepayments then or theretofore made pursuant to this Article 8) as of the date payment is made with respect to such Casualty Occurrence bears to the original CSA Indebtedness. The Casualty Value of each replacement unit shall be deemed to be that amount which bears the same ratio to the portion of the cost thereof paid by the Vendor as the unpaid CSA Indebtedness (without giving effect to any prepayments then or theretofore made pursuant to this Article 8) as of the date payment is made with respect to such Casualty Occurrence bears to the unpaid CSA Indebtedness (without giving effect to any such prepayments) as of the date of acquisition by the Vendor of such replacement unit.

The Railroad will cause any replacement unit or units to be marked as provided in Article 7 hereof. Any and all such replacements of Equipment shall constitute accessions to the Equipment and shall be subject to all appropriate terms and conditions of this Agreement as though part of the original Equipment delivered hereunder and shall be included in the term "Equipment" as used in this Agreement; provided, however, that nothing herein shall result in any

Builder having any liability or obligation pursuant to this Agreement with respect to any replacement unit or units not manufactured by it. Title to all such replacement units shall be free and clear of all liens and encumbrances except the liens permitted by the second paragraph of Article 12 hereof and shall be taken initially and shall remain in the name of the Vendor subject to the provisions hereof, and the Railroad shall execute, acknowledge, deliver, file, record or deposit all such documents and do any and all such acts as may be necessary to cause such replacement units to come under and be subject to this Agreement. All such replacement units shall be guaranteed and warranted in like manner as is customary at the time for similar equipment.

Whenever the Railroad shall file with the Vendor a written direction to apply amounts toward the cost of any replacement unit or units, the Railroad shall file therewith in addition to any settlement documents which may be required pursuant to the fifth paragraph of Article 15 hereof:

(1) a certificate of an appropriate officer of the Railroad certifying that such replacement unit is new standard-gauge railroad equipment (other than passenger or work equipment of types other than locomotives), has been marked as required by the provisions of this Article 8, the cost of such replacement equipment and compliance with the percentage limitations for cabooses and locomotives set forth in the second paragraph of this Article 8.

(2) an opinion of counsel for the Railroad that the Vendor has a valid and perfected security interest in such replacement unit, free and clear from all claims, liens, security interests and other encumbrances except the rights of the Railroad under this Agreement, and that such unit has come under and become subject to this Agreement and all necessary filings and recordings have been made to perfect the interests of the Vendor herein.

So long as no event of default shall have occurred and be continuing, any money paid to the Vendor pursuant to this Article 8 shall, if the Railroad shall in writing so direct, be invested, pending its application as hereinabove provided, in such of the following as may be specified in such written direction: (i) direct obligations of the United States of America or obligations for which the full faith and credit of the United States is pledged to provide for the payment of principal and interest, (ii) open market commercial paper rated A-1 by Standard & Poor's Corporation or prime-1

by NCO/Moody's Commercial Paper Division of Moody's Investors Service, Inc., or the successor of either of them, or (iii) certificates of deposit of domestic commercial banks in the United States of America having total capital and surplus in excess of $100,000,000, in each case maturing in not more than one year from the date of such investment (such investments being herein called "Investments"), but in no event shall any of such Investments be purchased at a premium. Any such obligations shall from time to time be sold and the proceeds reinvested in such Investments as the Railroad may in writing direct. Any interest received by the Vendor on any Investments shall be held by the Vendor and applied as hereinafter provided. Upon any sale or the maturity of any Investments, the proceeds thereof, plus any interest received by the Vendor thereon, up to the cost (including accrued interest) thereof, shall be held by the Vendor for application pursuant to this Article 8, and any excess shall be paid to the Railroad. If such proceeds (plus such interest) shall be less than such cost, the Railroad will promptly pay to the Vendor an amount equal to such deficiency. The Railroad will pay all expenses incurred by the Vendor in connection with the purchase and sale of Investments.

If any unit of the Equipment is removed for repairs other than running repairs or becomes unsuitable or not necessary for continued use by the Railroad in the Railroad's business or operations, such occurrence shall, upon the election of the Railroad evidenced by written notice to the Vendor, constitute a Casualty Occurrence subject to the provisions of this Article 8; provided, however, that the Railroad shall direct any money paid to the Vendor in respect thereof to be applied only toward not more than 80% of the cost of replacement equipment and not to prepay any installment of CSA Indebtedness.

If one or more events of default shall have occurred and be continuing, all money held by the Vendor pursuant to this Article 8 (including, for this purpose, Investments) shall be applied by the Vendor as if such money were money received upon the sale of Equipment pursuant to Article 17 hereof.

In order to facilitate the sale or other disposition of any Equipment suffering a Casualty Occurrence, the Vendor shall, upon request of the Railroad, after payment by the Railroad of a sum equal to the Casualty Value of such Equipment, execute and deliver to the Railroad or the Railroad's vendee, assignee or nominee, a bill of sale (without warranties) for such Equipment, and such other documents as

may be required to release such Equipment from the terms and scope of this Agreement, in such form as may be reasonably requested by the Railroad.

The Railroad will at all times prior to the payment of the full indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon and all other payments required hereby, at its own expense, cause to be carried and maintained insurance in respect of the Equipment at the time subject hereto in amounts and against risks customarily insured against by railroad companies of similar financial condition and having similar operations on similar equipment, and in any event in amounts and against risks comparable to those insured against by the Railroad on similar equipment owned by it.

ARTICLE 9. Maintenance; Compliance with Laws and Rules. The Railroad will at all times maintain the Equipment or cause the Equipment to be maintained in good order and repair at its own expense, normal wear and tear excepted, and eligible (in the case of Equipment other than locomotives and cabooses) for interchange in accordance with the interchange rules of the Association of American Railroads.

During the term of this Agreement, the Railroad will at all times comply in all respects with all laws of the jurisdictions in which its operations involving the Equipment may extend, with the interchange rules of the Association of American Railroads and with all lawful rules of the Department of Transportation, Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Equipment, to the extent that such laws and rules affect the title, operation or use of the Equipment, and in the event that such laws or rules require any alteration or replacement of or addition to any part on any unit of the Equipment, the Railroad will conform therewith, at its own expense; provided, however, that the Railroad may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor under this Agreement.

ARTICLE 10. Reports and Inspections. On or before April 1 in each year, commencing with the year 1981, the Railroad shall furnish to the Vendor an accurate statement signed by an officer of the Railroad (a) setting forth as at the preceding December 31 the amount, description and numbers of all units of the Equipment that have suffered a Casualty Occurrence during the preceding 12 months (or since the date of this Agreement in the case of the first such statement) or

that have been withdrawn from use pending repairs (other than running repairs) and such other information regarding the condition and state of repair of the Equipment as the Vendor may reasonably request and (b) stating that, in the case of all Equipment repaired or repainted during the period covered by such statement, the numbers and markings required by Article 7 hereof have been preserved or replaced. The Vendor shall have the right, by its agents, to inspect the Equipment and the Railroad's records with respect thereto at such reasonable times as the Vendor may reasonably request during the term of this Agreement.

ARTICLE 11. Possession and Use. The Railroad, so long as an event of default shall not have occurred under this Agreement and be continuing, shall be entitled to the possession of the units of Equipment and the use thereof upon the lines of railroad owned or operated by it either alone or jointly with others and whether under lease or otherwise, or upon the lines of railroad owned or operated by any railroad company controlled by, or under common control with, the Railroad, or over which it has trackage rights, or upon connecting and other carriers in the usual interchange of traffic or pursuant to run-through agreements, from and after delivery of such units of Equipment by the Builder of such units to the Railroad, but only upon and subject to all the terms and conditions of this Agreement; provided, however, that the Railroad shall not be entitled to assign the Equipment for service involving the regular operation and maintenance thereof outside of the United States of America except in normal interchange.

ARTICLE 12. Prohibition Against Liens. The Railroad will pay or discharge any and all sums claimed by any party from, through or under the Railroad or its successors or assigns which, if unpaid, might become a lien, charge or security interest on or in the Equipment, or any unit thereof, equal or superior to the Vendor's interest therein; provided, however, that the Railroad shall be under no obligation to pay or discharge any such claim so long as it is contesting in good faith and by appropriate legal proceedings such claim and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor in or to the Equipment or otherwise under this Agreement. Any amounts paid by the Vendor in discharge of liens, charges or security interests upon the Equipment shall be secured by and under this Agreement.

This covenant will not be deemed breached by reason of liens for taxes, assessments or governmental charges or levies, in each case not due and delinquent, or undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or other like liens arising in the ordinary course of business and, in each case, not delinquent.

ARTICLE 13. Railroad's Indemnities. The Railroad agrees to indemnify, protect and hold harmless the Vendor from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including counsel fees, arising out of retention by the Vendor of title to and a security interest in the Equipment, the use and operation thereof by the Railroad during the period when title remains in the Vendor or the transfer of title to the Equipment by the Vendor pursuant to any of the provisions of this Agreement. This covenant of indemnity shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

ARTICLE 14. Patent Indemnities; Each Builder's Warranty of Material and Workmanship. Each Builder's indemnities with respect to patent infringement, its warranty of material and workmanship and the limitations of its liability with regard thereto are set forth in Schedule A hereto.

ARTICLE 15. Assignments. The Railroad will not sell, assign, transfer or otherwise dispose of its rights under this Agreement or, except as provided in Article 11 hereof, transfer the right to possession of any unit of the Equipment without first obtaining the written consent of the Vendor, which consent will not be unreasonably withheld. A sale, assignment, transfer or disposition to a solvent, Class 1 railroad company organized under the laws of the United States of America or any of the states thereof which shall acquire all or substantially all the lines of railroad of the Railroad, and which, by execution of an appropriate instrument satisfactory to the Vendor, shall assume and agree to perform each of, and all, the obligations and covenants of the Railroad under this Agreement, shall not be deemed a breach of this covenant and thereupon, the successor railroad company shall be for all purposes the "Railroad" hereunder.

All or any of the rights, benefits and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Railroad, may be assigned by the Vendor and reassigned by any assignee at any time or from time to time. No such assignment shall subject any assignee to, or relieve any Builder from, any of the obligations of such Builder to construct and deliver the Equipment in accordance with this Agreement or to respond to its warranties and indemnities contained or

referred to in Article 14 hereof, or relieve the Railroad of any of its obligations to such Builder under Articles 2, 3, 4, 5, 13 and 14 hereof, Schedule A hereto and this Article 15 or of any other obligation which, according to its terms or context, is intended to survive an assignment.

Upon any such assignment either the assignor or the assignee shall give written notice to the Railroad, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all the assignor's right, title and interest in and to the Equipment and this Agreement, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Railroad of the notification of any such assignment, all payments thereafter to be made by the Railroad under this Agreement to the Vendor shall, to the extent so assigned, be made to the assignee in such manner as it may direct.

The Railroad recognizes that it is the custom of railroad equipment manufacturers to assign conditional sale agreements and understands that the assignment of this Agreement, or of some of or all the rights of the Vendor hereunder, is contemplated. The Railroad expressly represents, for the purpose of assurance to any person, firm or corporation considering the acquisition of this Agreement or of all or any of the rights of the Vendor hereunder and for the purposes of inducing such acquisition, that in the event of such assignment by the Vendor as hereinbefore provided, the rights of such assignee to the entire unpaid indebtedness in respect of the Purchase Price or such part thereof as may be assigned, together with interest thereon, as well as any other rights hereunder which may be so assigned, shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever arising out of any breach of any obligation of a Builder with respect to the Equipment of such Builder or the manufacture, construction, delivery or warranty thereof, or with respect to any indemnity herein contained, nor subject to any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by a Builder. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Railroad against and only against the respective Builders.

The Railroad will (a) in connection with each settlement for the Equipment subsequent to such assignment, deliver to the assignee, at least five business days prior to the Clos-

ing Date for the Group fixed in the notice thereof given by the Railroad, all documents required by the terms of such assignment to be delivered to such assignee in connection with such settlement, in such number of counterparts or copies as may reasonably be requested, and (b) furnish to such assignee such number of counterparts of any other certificate or document required by the Vendor as may reasonably be requested.

If this Agreement shall have been assigned by the Builders and the assignee shall not make payment to a Builder with respect to units of the Equipment of such Builder as provided in the instrument making such assignment, such Builder will promptly notify the Railroad of such event and, if such amount shall not have been previously paid by such assignee, the Railroad will, not later than 60 days after the date such payment was due, pay or cause to be paid to such Builder the aggregate unpaid Purchase Price of such units of Equipment, together with interest from the day such payment was due to the date of payment by the Railroad at the highest prime rate of interest charged by any of the four New York City banks having the largest total assets in effect on the date such payment was due.

ARTICLE 16. Defaults. In the event that any one or more of the following events of default shall occur and be continuing, to wit:

(a) the Railroad shall fail to pay in full any indebtedness in respect of the Purchase Price of the Equipment or any other sum payable by the Railroad as provided in this Agreement within five days after payment thereof shall be due hereunder; or

(b) the Railroad shall, for more than 15 days after the Vendor shall have demanded in writing performance thereof, fail or refuse to comply with any covenant, agreement, term or provision of this Agreement, or of any agreement entered into concurrently herewith relating to the financing of the Equipment on its part to be kept or performed or to make provision satisfactory to the Vendor for such compliance; or

(c) a petition for reorganization under the Federal Bankruptcy Act or under any other provision of Title 11 of the United States Code, as now constituted or hereafter amended, shall be filed by or against the Railroad and, unless such petition shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only

so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been (and shall not continue to be) duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed in such proceedings in such manner that such obligations shall have the same status as expenses of administration and obligations incurred by such trustee or trustees, within 60 days after the filing of such petition, or in accordance with the provisions of 11 U.S.C. § 1168; or

(d) any proceeding shall be commenced by or against the Railroad for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustment of the obligations hereunder), and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been (and shall not continue to be) duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed for the Railroad or for its property in connection with any such proceedings in such manner that such obligations have the same status as expenses of administration and obligations incurred by such trustee or trustees or receiver or receivers, within 60 days after such proceedings shall have been commenced, or in accordance with the provisions of 11 U.S.C. § 1168; or

(e) the Railroad shall make or suffer any unauthorized assignment or transfer of this Agreement or any interest herein or any unauthorized transfer of the right to possession of any unit of the Equipment; or

(f) an event of default shall occur under the Other Agreement (defined in Item 4 of Schedule A hereto);

then at any time after the occurrence of such an event of default the Vendor may, upon written notice to the Railroad and upon compliance with any mandatory legal requirements then in force and applicable to such action by the Vendor,

declare (hereinafter called a "Declaration of Default") the entire indebtedness in respect of the Purchase Price of the Equipment, together with the interest thereon then accrued and unpaid, immediately due and payable, without further demand, and thereafter the aggregate of the unpaid balance of such indebtedness and interest shall bear interest from the date of such Declaration of Default at the rate per annum specified in Article 4 hereof as being applicable to amounts remaining unpaid after becoming due and payable, to the extent legally enforceable. The Vendor shall thereupon be entitled to recover judgment for the entire unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment so payable, with interest as aforesaid, and to collect such judgment out of any property of the Railroad wherever situated. The Railroad shall promptly notify the Vendor in writing of any event which has come to its attention which constitutes, or which with the giving of notice and/or lapse of time could constitute, an event of default under this Agreement and of what action, if any, the Railroad has taken or proposes to take to remedy such event of default or event.

The Vendor may at its election waive any such event of default and its consequences and rescind and annul any Declaration of Default by notice to the Railroad in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such event of default had occurred and no Declaration of Default had been made. Notwithstanding the provisions of this paragraph, it is expressly understood and agreed by the Railroad that time is of the essence of this Agreement and that no such waiver, rescission or annulment shall extend to or affect any other or subsequent default or impair any rights or remedies consequent thereon.

ARTICLE 17. Remedies. At any time during the continuance of a Declaration of Default, the Vendor may, subject to compliance with any mandatory legal requirements then in force and applicable to the action to be taken by the Vendor, take or cause to be taken by its agent or agents immediate possession of the Equipment, or one or more of the units thereof, without liability to return to the Railroad any sums theretofore paid and free from all claims whatsoever, except as hereinafter in this Article 17 expressly provided, and may remove the same from possession and use of the Railroad or

any other person and for such purpose may enter upon the Railroad's premises or any other premises where the Equipment may be located (without judicial process if this can be done without breach of the peace) and may use and employ in connection with such removal any supplies, services and aids and any available trackage and other facilities or means of the Railroad.

In case the Vendor shall demand possession of the Equipment pursuant to this Agreement and shall reasonably designate a point or points upon the premises of the Railroad for the delivery of the Equipment to the Vendor, the Railroad shall, at its own expense, forthwith and in the usual manner (including, but not by way of limitation, giving prompt telegraphic and written notice to the Association of American Railroads and all railroads to which any part of the Equipment has been interchanged to return the Equipment so interchanged), cause (a) the Equipment to be moved to such point or points on its lines as shall be designated by the Vendor and shall there deliver the Equipment or cause it to be delivered to the Vendor and (b) the Equipment to be moved to such interchange point or points of the Railroad as shall be designated by the Vendor upon any sale, lease or other disposal of all or any part of the Equipment by the Vendor. At the option of the Vendor, the Vendor may keep the Equipment on any of the lines or premises of the Railroad until the Vendor shall have leased, sold or otherwise disposed of the same, and for such purpose the Railroad agrees to furnish, without charge for rent, storage or insurance (which the Railroad agrees to maintain as herein provided), the necessary facilities at any point or points selected by the Vendor reasonably convenient to the Railroad, to provide proper maintenance for the Equipment during such storage and to permit inspection of the Equipment by the Vendor, the Vendor's representatives and prospective purchasers and users. This agreement to deliver the Equipment and furnish facilities as hereinbefore provided is of the essence of the agreement between the parties, and, upon application to any court of equity having jurisdiction in the premises, the Vendor shall be entitled to a decree against the Railroad requiring specific performance hereof. The Railroad hereby expressly waives any and all claims against the Vendor and its agent or agents for damages of whatever nature in connection with any retaking of any unit of the Equipment in any reasonable manner.

At any time during the continuance of a Declaration of Default, the Vendor (after retaking possession of the

Equipment as hereinbefore in this Article 17 provided) may at its election and upon such notice as is hereinafter set forth retain the Equipment in satisfaction of the entire indebtedness in respect of the Purchase Price of the Equipment and make such disposition thereof as the Vendor shall deem fit. Written notice of the Vendor's election to retain the Equipment shall be given to the Railroad by telegram or registered mail, addressed as provided in Article 21 hereof, and to any other persons to whom the law may require notice, within 30 days after such Declaration of Default. In the event that the Vendor should elect to retain the Equipment and no objection is made thereto within the 30-day period described in the second proviso below, all the Railroad's rights in the Equipment shall thereupon terminate and all payments made by the Railroad may be retained by the Vendor as compensation for the use of the Equipment by the Railroad; provided, however, that if the Railroad, before the expiration of the 30-day period described in the proviso below, should pay or cause to be paid to the Vendor the total unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement as well as expenses of the Vendor in retaking possession of, removing, maintaining and storing the Equipment and the Vendor's reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad; provided, further, that if the Railroad or any other person notified under the terms of this paragraph objects in writing to the Vendor within 30 days from the receipt of notice of the Vendor's election to retain the Equipment, then the Vendor may not so retain the Equipment, but shall sell, lease or otherwise dispose of it or continue to hold it pending sale, lease or other disposition as hereinafter provided or as may otherwise be permitted by law. If the Vendor shall have given no notice to retain as hereinabove provided or notice of intention to dispose of the Equipment in any other manner, it shall be deemed to have elected to sell the Equipment in accordance with the provisions of this Article 17.

At any time during the continuance of a Declaration of Default, the Vendor, with or without retaking possession thereof, at its election and upon reasonable notice to the Railroad and to any other persons to whom the law may require notice of the time and place, may sell the Equipment, or any unit thereof, free from any and all claims of the Railroad or any other party claiming from, through or under the Railroad,

at law or in equity, at public or private sale and with or without advertisement as the Vendor may determine; provided, however, that if, prior to such sale and prior to the making of a contract for such sale, the Railroad should tender full payment of the total unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement as well as expenses of the Vendor in retaking possession of, removing, storing, maintaining, holding and preparing the Equipment for, and otherwise arranging for, the sale and the Vendor's reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad. The proceeds of such sale, less the attorneys' fees and any other expenses incurred by the Vendor in retaking possession of, removing, storing, maintaining, holding, preparing for sale and selling the Equipment, shall be credited on the amount due to the Vendor under the provisions of this Agreement.

Any sale hereunder may be held or conducted at such place or places and at such time or times as the Vendor may specify, in one lot and as an entirety or in separate lots and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Vendor may determine. The Vendor or the Railroad may bid for and become the purchaser of the Equipment, or any unit thereof, so offered for sale. The Railroad shall be given written notice of such sale not less than 10 days prior thereto, by telegram or registered mail addressed to the Railroad as provided in Article 21 hereof. If such sale shall be a private sale (which shall be deemed to mean only a sale where an advertisement for bids has not been published in a newspaper of general circulation or a sale where less than 40 railroads have been solicited in writing to submit bids), it shall be subject to the right of the Railroad to purchase or provide a purchaser, within 10 days after notice of the proposed sale price, at the same price offered by the intending purchaser or a better price. In the event that the Vendor shall be the purchaser of the Equipment, it shall not be accountable to the Railroad (except to the extent of surplus money received as hereinafter provided in this Article 17), and in payment of the purchase price therefor the Vendor shall be entitled to have credited on account thereof all or any part of the sums due to the Vendor from the Railroad hereunder.

Each and every power and remedy hereby specifically given to the Vendor shall be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Vendor. All such powers and remedies shall be cumulative, and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Vendor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder shall impair any such power or remedy or shall be construed to be a waiver of any default or an acquiescence therein. Any extension of time for payment hereunder or other indulgence duly granted to the Railroad shall not otherwise alter or affect the Vendor's rights or the Railroad's obligations hereunder. The Vendor's acceptance of any payment after it shall have become due hereunder shall not be deemed to alter or affect the Railroad's obligations or the Vendor's rights hereunder with respect to any subsequent payments or default therein.

If, after applying all sums of money realized by the Vendor under the remedies herein provided, there shall remain any amount due to it under the provisions of this Agreement, the Railroad shall pay the amount of such deficiency to the Vendor upon demand, together with interest from the date of such demand to the date of payment by the Railroad at the rate per annum set forth in Article 4 hereof applicable to amounts remaining unpaid after becoming due and payable. If the Railroad shall fail to pay such deficiency, the Vendor may bring suit therefor and shall be entitled to recover a judgment therefor against the Railroad. If, after applying as aforesaid all sums realized by the Vendor, there shall remain a surplus in the possession of the Vendor, such surplus shall be paid to the Railroad.

The Railroad will pay all reasonable expenses, including attorneys' fees, incurred by the Vendor in enforcing its remedies under the terms of this Agreement. In the event that the Vendor shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Vendor may recover reasonable expenses, including attorneys' fees, and the amount thereof shall be included in such judgment.

The foregoing provisions of this Article 17 are subject in all respects to all mandatory legal requirements at the time in force and applicable thereto.

ARTICLE 18. Applicable State Laws. Any provision of this Agreement prohibited by any applicable law of any jurisdiction shall as to such jurisdiction be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby waived by the Railroad to the full extent permitted by law, it being the intention of the parties hereto that this Agreement shall be deemed to be a conditional sale and enforced as such.

Except as otherwise provided in this Agreement, the Railroad, to the full extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of or to sell or lease the Equipment or any unit thereof, and any other requirements as to the time, place and terms of the sale or lease thereof, any other requirements with respect to the enforcement of the Vendor's rights under this Agreement and any and all rights of redemption.

ARTICLE 19. Recording. The Railroad will cause this Agreement, any assignments hereof and any amendments or supplements hereto or thereto to be filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303; and the Railroad will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, deposit and record any and all further instruments required by law or reasonably requested by the Vendor for the purpose of proper protection, to the satisfaction of counsel for the Vendor, of its interest in the Equipment and its rights under this Agreement or for the purpose of carrying out the intention of this Agreement; and the Railroad will promptly furnish to the Vendor certificates or other evidence of such filing, registering, depositing and recording satisfactory to the Vendor.

ARTICLE 20. Payment of Expenses. The Railroad will pay all reasonable costs and expenses (other than the fees and expenses of counsel for the Builders) incident to this Agreement and the first assignment of this Agreement (including the fees and expenses of an agent, if the first assignee is an agent), and any instrument supplemental or related hereto or thereto, including all fees and expenses of Messrs. Cravath, Swaine & Moore, special counsel for the first assignee of this Agreement and for any party acquiring interests in such first assignment, and all reasonable costs

and expenses in connection with the transfer by any party of interests acquired in such first assignment, but excluding all fees and expenses of any other counsel for such parties.

ARTICLE 21. Notice. Any notice hereunder to any of the parties designated below shall be deemed to be properly served if delivered or mailed to it at its chief place of business at the following specified addresses:

(a) to the Railroad, at 210 North 13th Street, St. Louis, Missouri 63103, Attention of C. J. Maurer, Treasurer;

(b) to a Builder, at its address specified in Item 1 of Schedule A hereto; and

(c) to any assignee of the Vendor or of the Railroad, at such address as may have been furnished in writing to each of the other parties hereto by such assignee;

or at such other address as may have been furnished in writing by such party to the other parties to this Agreement.

ARTICLE 22. Article Headings; Effect and Modification of Agreement. All article headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

This Agreement, including the Schedules hereto, exclusively states the rights of the Vendor and the Railroad with respect to the Equipment and supersedes all other agreements, oral or written, with respect to the Equipment. No variation or modification of this Agreement and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Vendor and the Railroad.

ARTICLE 23. Law Governing. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the State of Missouri; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303 and such additional rights arising out of the filing, recording or deposit hereof, if any, and of any assignment hereof as shall be conferred by the laws of the several jurisdictions in which this Agreement

or any assignment hereof shall be filed, recorded or deposited, or in which any unit of the Equipment shall be located, and any rights arising out of the marking of the units of Equipment as provided in Article 7 hereof.

ARTICLE 24. Execution. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart. It shall not be necessary that any counterpart be signed by all the parties. Each Builder shall be bound hereunder notwithstanding the failure of any other Builder to execute and deliver this Agreement or to perform its obligations hereunder. Although this Agreement is dated, for convenience, as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by their officers or other persons, thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, all as of the date first above written.

MISSOURI PACIFIC RAILROAD COMPANY,

by

M. M. Hennelley
Vice President

[Corporate Seal]

Attest:

W. J. Herold
Assistant Secretary

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

by

P. K. Hoglund
Vice President

[Corporate Seal]

Attest:

W. J. Scott
Assistant Secretary

GENERAL ELECTRIC COMPANY,

by
M. S. Richardson
General Manager-Locomotive Operations

[Corporate Seal]

Attest:

J. T. Hughes
Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by
R. K. Smith
Vice President

[Corporate Seal]

Attest:

M. Hemphill, Jr.
Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by
Walter A. Dahl
Vice President

[Corporate Seal]

Attest:

R. W. Polster
~~Assistant~~ Secretary

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this 11th day of April 1980, before me personally appeared M. M. Hennelley , to me personally known, who, being by me duly sworn, says that he is a Vice President of MISSOURI PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Joann Sanders
Notary Public

[Notarial Seal]

My Commission expires
9/10/82

Joann Sanders
Notary Public, State of Missiouri
My Commission Expires Sept. 10, 1982
City of St. Louis

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 8th day of April 1980, before me personally appeared P. K. Hoglund , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

T. K. Piorecki
Notary Public

[Notarial Seal]

My Commission expires

September 18, 1983

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this 9th day of April 1980, before me personally appeared M. S. Richardson , to me personally known, who, being by me duly sworn, says that he is a General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

Judy Crandall
Notary Public
Judy Crandall, Notary Public
Lawrence Park Twp., Erie County
Pennsylvania
My Commission Expires Jan. 16, 1984

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this 10thday of April 1980, before me personally appeared R. K. Smith , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

Evelyn S. Weeks
Notary Public
My Commission Expires
City of Bethlehem
Lehigh County
October 13, 1982

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this 14th day of April 1980, before me personally appeared W. A. Dahl , to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

L. W. Moffett
Notary Public

L.W. Moffett, Notary Public
City of Washington, District of Columbia
My Commission Expires October 14, 1982

My Commission expires

Oct. 14, 1982

SCHEDULE A

to

Conditional Sale Agreement
Dated as of March 1, 1980

Item 1: (a) General Motors Corporation (Electro-Motive Division), a Delaware corporation La Grange, Illinois 60525.

(b) General Electric Company, a New York corporation, 2901 East Lake Road, Erie Pennsylvania 16531.

(c) Bethlehem Steel Corporation, a Delaware corporation, Bethlehem, Pennsylvania 18016, attention of Manager of Railroad Products Sales.

(d) Fruit Growers Express Company, a Delaware corporation, 1101 Vermont Avenue, N.W., Washington, D.C. 20005, attention of the President.

Item 2: [Warranty of Materials and Workmanship] (a) General Motors Corporation (Electro-Motive Division) ("GM") warrants that its Equipment is of the kind and quality described in, or will be built in accordance with, the Specifications therefor referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and is suitable for the ordinary purposes for which such Equipment is used and warrants each unit of its Equipment to be free from defects in material and workmanship which may develop under normal use and service within two years from date of delivery of such unit or before such unit has been operated 250,000 miles, whichever event shall first occur. GM agrees to correct such defects, which examination shall disclose to its satisfaction to be defective, by repair or replacement F.O.B. factory and such correction shall constitute fulfillment of its obligation with respect to such defect under this warranty.

GM warrants specialties not of its own specification or design to the same extent that the suppliers of such specialties warrant such items to GM.

THERE ARE NO WARRANTIES WITH RESPECT TO MATE-

RIAL AND WORKMANSHIP, EXPRESSED OR IMPLIED, MADE BY GM EXCEPT THE WARRANTIES SET OUT ABOVE.

GM further agrees with the railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of the Equipment as provided in said Article 3 shall be deemed a waiver or modification by the Railroad of any of its rights under this Item 2(a).

(b) General Electric Company ("GE") warrants to the Railroad that each unit of Equipment manufactured by it hereunder will be free from defects in material, workmanship and title under normal use and service, and will be of the kind and quality designated or described in the Specifications referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement"). The foregoing warranty is exclusive and in lieu of all other warranties, whether written, oral, implied or statutory (except as to title). NO WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR PURPOSE SHALL APPLY. If it appears within two years from the date of shipment by GE, or within 250,000 miles of operation, whichever event shall first occur, that the Equipment delivered by GE under the Agreement does not meet the warranties specified above, and the Railroad notifies GE promptly, GE, after verification as to condition and usage, shall correct any defect including nonconformance with the Specifications, at its option, either by repairing any defective part or parts made available to GE, or by making available at GE's plant or warehouse a repaired or replacement part. If requested by GE, the Railroad will ship the defective part or parts, with shipping charges prepaid, to the plant or warehouse designated by GE. The foregoing shall constitute the sole remedy of the Railroad and the sole liability of GE in respect of the foregoing.

The liability of GE to the Railroad hereunder (except as to title) arising out of the supplying of any unit of its Equipment or its use, whether on warranty, contract or negligence, shall not in any case exceed the cost of correcting defects in its Equipment as herein provided, and upon the expira-

tion of the warranty period specified above, all such liability shall terminate. GE shall have no liability for any unit of its Equipment or part thereof which becomes defective by reason of improper storage or application, misuse, negligence, accident or improper operation, maintenance, repairs or alterations on the part of the Railroad, or any third party other than GE. In no event, whether as a result of breach of contract, warranty, tort (including negligence) or otherwise, shall GE or its suppliers be liable for any special, consequential, incidental or penal damages including, but not limited to, loss of profits or revenues, loss of the use of its Equipment or any associated equipment, damage to the associated equipment, cost of capital, cost of substitute products, facilities, services or replacements, downtime costs or claims of customers of the Railroad for such damages.

It is understood that GE has the right to make any changes in design and add improvements to equipment at any time without incurring any obligations to install, at GE's expense, the same on other equipment sold by GE.

THERE ARE NO WARRANTIES WITH RESPECT TO MATERIAL AND WORKMANSHIP, EXPRESSED OR IMPLIED, MADE BY GE EXCEPT THE WARRANTIES SET OUT ABOVE.

(c) Bethlehem Steel Corporation ("Bethlehem") warrants that its Equipment will be built in accordance with the Specifications and the standards and requirements set forth in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and warrants its Equipment will be free from defects in material (except as to specialties incorporated therein specified or supplied by the Railroad and not manufactured by Bethlehem) and workmanship under normal use and service, Bethlehem's obligation under this item 2(c) being limited to making good at its plant any part or parts of any unit of its Equipment which shall, within one year after the delivery of such unit to the Railroad, be returned to Bethlehem with transportation charges prepaid and which Bethlehem's examination shall disclose to its satisfaction to have been thus

defective.

The foregoing warranty of Bethlehem is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose, and Bethlehem neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment, except for the patent indemnification included in Item 3 of this Schedule A to the Agreement as aforesaid. It is further understood that in no event shall Bethlehem be liable for indirect or consequential damages of any kind.

Bethlehem further agrees with the Railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of its Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 2(c).

(d) Fruit Growers Express Company ("Fruit Growers") warrants that its Equiment will be built in accordance with the Specifications and the standards and requirements referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and warrants its Equipment will be free from defects in material (except as to specialties incorporated therein and workmanship with respect thereto specified by the Railroad and not manufactured by Fruit Growers) and workmanship under normal use and service. Fruit Growers' liability under this Item 3(d) is limited to repair or replacement at its plant of any part or parts of any unit of its Equipment which shall, within one year after the delivery of such unit of its Equipment to the Railroad (or, in the case of patent defects, within 10 days after delivery), be returned to Fruit Growers with transportation charges prepaid and which examination by Fruit Growers shall disclose to its satisfaction to have been thus defective. Any unit of its Equipment repaired, replaced or altered outside of Fruit Growers' plant, the repair, replacement or alteration of which in Fruit Growers' judgment has adversely affected in any way the strength

and performance of such unit of its Equipment, is removed from this warranty. In no event shall Fruit Growers be liable to anyone for any incidental, special or consequential damages of any kind. The foregoing waranty is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability of fitness for a particular purpose, and Fruit Growers neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment, except for the patent indemnification included in Item 3 of this Schedule A to the Agreement.

Fruit Growers further agrees with the Railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of its Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 3(d).

Item 3: [Patent Indemnities] GM, GE, Bethlehem and Fruit Growers each severally agrees as follows:

Except in cases of articles or materials specified by the Railroad and not manufactured by such Builder and in cases of designs, systems, processes, formulae or combinations specified by the Railroad and not developed or purported to be developed by such Builder, each Builder agrees to indemnify, protect and hold harmless the Railroad from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Railroad, its assigns or the users of the Equipment of such Builder because of the use in or about the construction or operation of any of such Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Railroad likewise will indemnify, protect and hold harmless the Vendor from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against

the Vendor because of the use in or about the construction or operation of any of the Equipment of any article or material specified by the Railroad and not manufactured by the Builder of such Equipment or of any design, system, process, formula or combination specified by the Railroad and not developed or purported to be developed by such Builder which infringes or is claimed to infringe on any patent or other rights. Each Builder agrees to and hereby does, to the extent legally possible without impairing any claim, right or cause of action hereinafter referred to, assign, set over and deliver to the Railroad every claim, right and cause of action which such Builder has or hereafter shall have against the seller or sellers of any designs, systems, processes, formulae, combination, articles or materials specified by the Railroad and purchased or otherwise acquired by such Builder for use in or about the construction or operation of any of the Equipment of such Builder on the ground that any such design, system, process, formula, combination, article or material or operation thereof infringes or is claimed to infringe on any patent or other right. Each Builder further agrees to execute and deliver to the Railroad or the users of the Equipment of such Builder all and every such further assurance as may be reasonably requested by the Railroad more fully to effectuate the assignment and delivery of every such claim, right and cause of action. Each Builder will give notice to the Railroad of any claim known to such Builder from which liability may be charged against the Railroad hereunder and the Railroad will give notice to such Builder of any claim known to the Railroad from which liability may be charged against the Builder hereunder. Such covenants of indemnity shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

Item 4: The Construction and Conditional Sale Agreement dated as of March 1, 1980, between the Railroad and the Agent (the "Other Agreement").

SCHEDULE B

Builder	Type	AAR Mechanical Designation	Builder's Specifications	Builder's Plant	Quantity	Unit Base Price	Total Base Price	Road Numbers (Inclusive)	Estimated Time of Delivery at Builder's Plant
General Motors Corporation (Electro-Motive Division)	SD-40-2 3,000 h.p. diesel electric loco-motives	CC	8087	McCook, Illinois	10	$698,237	$6,982,730	MP 3312-3321	April 1980
General Motors Corporation (Electro-Motive Division)	SD-40-2C 3,000 h.p. diesel electric loco-motives	CC	8087	McCook, Illinois	20	743,423	14,868,460	MP 6054-6073	April 1980
General Motors Corporation (Electro-Motive Division)	GP-38-2 2,000 h.p. diesel electric loco-motives	BB	8090	McCook, Illinois	5	582,233	2,911,165	MP 2198-2202	July 1980
General Electric Company	B-23-7 2,250 h.p. diesel electric loco-motives	BB	3530-D	Erie, Pa.	20	589,514	11,790,280	MP 4650-4669	April-June 1980

SCHEDULE B (Cont'd)

Builder	Type	AAR Mechanical Designation	Builder's Specifications	Builder's Plant	Quantity	Unit Base Price	Total Base Price	Road Numbers (Inclusive)	Estimated Time of Delivery at Builder's Plant
Bethlehem Steel Corporation	100-ton Open-top quad hopper cars	HT	DF 3400-520	Johns-town, Pa.	500	$41,109	$20,554,500	MP 582500-582999	May-July 1980
Fruit Growers Express Company	100-ton box cars	XP	S-467	Alexandria, Va.	28	76,400	2,139,200	MP 269431-269458	July 1980
					Total		$59,246,335		

EXHIBIT B

AGREEMENT AND ASSIGNMENT, dated as of March 1, 1980, between MERCANTILE TRUST COMPANY, N.A., acting as Agent under a Finance Agreement dated as of the date hereof (the "Finance Agreement") (said Agent, so acting, being hereinafter called the "Assignee"), and each of GENERAL MOTORS CORPORATION (Electro-Motive Division), GENERAL ELECTRIC COMPANY, BETHLEHEM STEEL CORPORATION and FRUIT GROWERS EXPRESS COMPANY (hereinafter called collectively the "Builders" or severally the "Builder").

The Builders and Missouri Pacific Railroad Company (the "Railroad") have entered into a Conditional Sale Agreement dated as of the date hereof (the "CSA") covering the construction, sale and delivery, on the conditions therein set forth, by the Builders, severally, and the purchase by the Railroad of the railroad equipment described in Schedule B to the CSA (said equipment being hereinafter called the "Equipment" and the Equipment constructed, sold and delivered by each Builder being hereinafter sometimes called "such Builder's Equipment" or "its Equipment").

NOW, THEREFORE, THIS AGREEMENT AND ASSIGNMENT WITNESSETH: That, in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration paid by the Assignee to each Builder, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained:

SECTION 1. Each Builder hereby assigns, transfers and sets over unto the Assignee, its successors and assigns:

(a) all the right, title and interest of such Builder in and to each unit of its Equipment when and as severally delivered to and accepted by the Railroad, subject to payment by the Assignee to such Builder of the amount required to be paid to such Builder under Section 4 hereof;

(b) all the right, title and interest of such Builder in and to the CSA (except the right to construct and deliver such Builder's Equipment and the right to receive the payments specified in the third paragraph

of Article 3 thereof, in subparagraph (a) of the fourth paragraph of Article 4 thereof, and in the last paragraph of Article 15 thereof and reimbursements for taxes paid or incurred by such Builder as provided in Article 5 thereof), and in and to any and all amounts which may be or become due or owing by the Railroad to such Builder under the CSA in respect of the Purchase Price (as defined in the CSA) of the Equipment and interest thereon, and in and to any other sums becoming due from the Railroad under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) hereof, all such Builder's rights, powers, privileges and remedies under the CSA;

without any recourse against such Builder for or on account of the failure of the Railroad to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify, the liability of such Builder to construct and deliver its Equipment in accordance with the CSA or with respect to its obligations contained or referred to in Article 14 of the CSA, or relieve the Railroad from its obligations to such Builder contained or referred to in Articles 2, 3, 4, 5, 13, 14 and 15 of the CSA, it being understood and agreed that, notwithstanding this Assignment, or any subsequent assignment pursuant to the provisions of Article 15 of the CSA all obligations of such Builder to the Railroad with respect to such Builder's Equipment shall be and remain enforceable by the Railroad, its successors and assigns, against and only against such Builder. In furtherance of the foregoing assignment and transfer, each Builder hereby authorizes and empowers the Assignee, in the Assignee's own name or in the name of the Assignee's nominee, or in the name of and as attorney hereby irrevocably constituted for such Builder, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Assignee is or may become entitled under this Assignment and to ask, demand, sue for and enforce compliance by the Railroad with the terms and agreements on its part to be performed under the CSA, but at the expense and liability and for the sole benefit of the Assignee.

SECTION 2. Each Builder agrees that it shall construct its Equipment in full accordance with the CSA and

will deliver the same upon completion to the Railroad in accordance with the provisions of the CSA; and that, notwithstanding this Assignment, it will perform and fully comply with each of and all the covenants and conditions of the CSA set forth to be performed and complied with by such Builder. Each Builder further agrees that it will warrant to the Assignee and the Railroad that at the time of delivery of each unit of the Equipment of such Builder under the CSA it had legal title to such unit and good and lawful right to sell such unit and that title to such unit was free of all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment); and each Builder further agrees that it will defend the title to each unit of its Equipment against the demands of all persons whomsoever based on claims originating prior to the delivery of such unit by such Builder under the CSA; all subject, however, to the provisions of the CSA and the rights of the Railroad thereunder. No Builder will deliver any of its Equipment to the Railroad under the CSA until the filings and recordations referred to in Article 19 of the CSA have been effected (the respective Builders and their counsel being entitled to rely on advice from special counsel for the Assignee that such filings and recordations have been effected).

SECTION 3. Each Builder agrees with the Assignee that in any suit, proceeding or action brought by the Assignee under the CSA for any installment of, or interest on, indebtedness in respect of the Purchase Price of its Equipment or to enforce any provision of the CSA, such Builder will indemnify, protect and hold harmless the Assignee from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever of the Railroad arising out of a breach by such Builder of any obligation with respect to the Equipment of such Builder or the manufacture, construction, delivery or warranty thereof, or by reason of any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by such Builder. Each Builder's obligation so to indemnify, protect and hold harmless the Assignee is conditional upon (a) the Assignee's timely motion or other appropriate action, on the basis of Article 15 of the CSA, to strike any defense, setoff, counterclaim or recoupment asserted by the Railroad in any such suit, proceeding or action and (b) if the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and accepts such defense, setoff, counterclaim or recoupment as a triable issue in such suit,

proceeding or action, the Assignee's prompt notification to such Builder of the asserted defense, setoff, counterclaim or recoupment and the Assignee's giving such Builder the right, at such Builder's expense, to compromise, settle or defend against such defense, setoff, counterclaim or recoupment.

Except in cases of articles or materials specified by the Railroad and not manufactured by such Builder and in cases of designs, systems, processes, formulae or combinations specified by the Railroad and not developed or purported to be developed by such Builder, each Builder agrees, except as otherwise specifically provided in the CSA, to indemnify, protect and hold harmless the Assignee from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Assignee or its assigns because of the use in or about the construction or operation of any of its Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Assignee will give prompt notice to the appropriate Builder of any such liability or claim actually known to the Assignee and will give such Builder the right, at such Builder's expense, to compromise, settle or defend against such claim. Each Builder agrees that any amounts payable to it by the Railroad with respect to its Equipment, whether pursuant to the CSA or otherwise, not hereby assigned to the Assignee, and amounts payable to the Builder pursuant to supplemental invoices shall not be secured by any lien, charge or security interest upon the Equipment of such Builder or any unit thereof.

SECTION 4. The Assignee, on each Closing Date fixed as provided in Article 4 of the CSA with respect to a Group (as defined in said Article 4) of the Equipment, shall pay to the Builder whose Equipment shall be included in such Group and to each Builder which shall submit a supplemental invoice for settlement on such Closing Date as contemplated in Article 4 of the CSA an amount equal to the portion of the Purchase Price of such Builder's Equipment as shown on the invoice therefor then being settled for which, under the terms of said Article 4, is payable in installments, provided that there shall have been delivered to the Assignee, as provided in Article 15 of the CSA, at least five business days (as defined in said Article 4) prior to such Closing Date, the following documents, in form and scope satisfactory to it and to its special counsel hereinafter mentioned, in

such number of counterparts as may be reasonably requested by said special counsel:

(a) a bill of sale from such Builder to the Assignee confirming the transfer to the Assignee of all right, title and interest of such Builder in such Builder's Equipment in such Group, warranting to the Assignee and to the Railroad that at the time of delivery of such units under the CSA such Builder had legal title to such units and good and lawful right to sell such units and that such units were free of all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment), and covenanting to defend the title to such units against the demands of all persons whomsoever based on claims originating prior to the delivery of such units by such Builder under the CSA;

(b) a Certificate or Certificates of Acceptance with respect to the units of such Builder's Equipment in such Group as contemplated by Article 3 of the CSA;

(c) an invoice of such Builder for the units of such Builder's Equipment in such Group and any supplemental invoice for which settlement is then being made, in each case accompanied by or having endorsed thereon a certification by the Railroad as to the correctness of the prices stated therein;

(d) an opinion of Messrs. Cravath, Swaine & Moore, who are acting as special counsel for the Assignee and the Investors named in the Finance Agreement, dated as of such Closing Date, to the effect that (i) the Finance Agreement, assuming due authorization, execution and delivery by such Investors, has been duly authorized, executed and delivered and is a legal, valid, binding and enforceable instrument, (ii) the CSA has been duly authorized, executed and delivered by the Railroad and such Builder and is a legal, valid and binding instrument, enforceable in accordance with its terms, (iii) this Assignment has been duly authorized, executed and delivered by such Builder and is a legal, valid, binding and enforceable instrument, (iv) the Assignee is vested with all the rights, titles, interests, powers and privileges purported to be assigned to it by this Assignment, (v) the Assignee has title to and a valid and perfected security interest in the units of the Equipment in such Group and such units, at the time of delivery thereof to the Rail-

road under the CSA, were free from all claims, liens, security interests and other encumbrances (other than those created by the CSA), (vi) no approval of the Interstate Commerce Commission or any other governmental authority is necessary for the valid execution and delivery of the Finance Agreement, the CSA, this Assignment or the Railroad's Consent hereto, (vii) the CSA and this Assignment have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 and no other filing or recordation is necessary for the protection of the rights of the Assignee in any state of the United States of America or in the District of Columbia and (viii) registration of the CSA, this Assignment or any certificates of interest delivered pursuant to the Finance Agreement is not required under the Securities Act of 1933, as amended, and qualification of an indenture with respect thereto is not required under the Trust Indenture Act of 1939, as amended; such opinion shall also state that said counsel have examined the opinions being delivered on such Closing Date pursuant to subparagraphs (e) and (f) of this Section 4, that such opinions are satisfactory in form and scope to said counsel and that said counsel believe that the Assignee and Investors are justified in relying thereon; and such opinion shall also cover such other matters including the applicability of 11 U.S.C. § 1168 to the Equipment and any substitutes thereof, as may reasonably be requested by the Assignee or any such Investor;

(e) an opinion of counsel for the Railroad, dated as of such Closing Date, to the effect set forth in clauses (i), (ii), (v), (vi) and (vii) of subparagraph (d) above (said counsel, in rendering such opinion, being permitted to assume due authorization, execution and delivery of the Finance Agreement and this Agreement by parties thereto other than the Railroad) and stating that (i) the Railroad is a duly organized and existing corporation in good standing under the laws of its jurisdiction of incorporation and has the full power and authority to own its properties and to carry on its business as conducted on the date thereof, (ii) this Assignment is a legal, valid, binding and enforceable instrument, and (iii) the execution and delivery by the Railroad of the CSA and the Finance Agreement do not violate any provision of any law, any order of any court or governmental agency, the charter or By-laws of the Railroad, or any indenture, agreement, or other instrument to which the Railroad is a party or by which it, or any of its property is bound, and will not be in conflict with, result in the breach of, or constitute, with due notice or lapse of time or both, a default under, any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Railroad.*

(f) an opinion of counsel for such Builder, dated as of such Closing Date, to the effect set forth in clause (iv) of subparagraph (d) above in respect of its Equipment insofar as such matters relate to such Builder and stating that (i) such Builder is a duly organized and existing corporation in good standing under the laws

* except that the interest or equity of the Railroad in or to the Equipment is subject to the Railroad's First Mortgage and General (Income) Mortgage, both dated January 1, 1955, both of which are subject to and subordinate to the CSA.

of its jurisdiction of incorporation and has the power and authority to own its properties and to carry on its business as conducted on the date thereof, (ii) the CSA has been duly authorized, executed and delivered by such Builder and, assuming due authorization, execution and delivery by the other parties thereto, is a legal and valid instrument binding upon such Builder and enforceable against such Builder in accordance with its terms, (iii) this Assignment has been duly authorized, executed and delivered by such Builder and, assuming due authorization, execution and delivery by the other parties thereto, is a legal, valid, binding and enforceable instrument binding upon such Builder and (iv) the bill of sale delivered by such Builder on such Closing Date is effective to confirm the transfer of the Builder's right, title and interest in the units of the Equipment in such Group to the Assignee and such units, at the time of delivery thereof to the Railroad under the CSA, were free from all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment);

(g) a certificate of the senior financial officer of the Railroad, dated as of such Closing Date, to the effect that (i) to the best of his knowledge and belief, no event of default, or event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default, shall have occurred and is then continuing, (ii) no Federal tax liens (including tax liens filed pursuant to Section 6323 of the Internal Revenue Code of 1954, as amended) and to the best of his knowledge and belief no other tax liens have been filed and are currently in effect which would adversely affect the security interest of the Assignee in the Equipment; and (iii) to the best of his knowledge and belief, the Railroad has not been in default as to principal and interest payments during the five years preceding the Closing Date;

(h) a receipt from such Builder for any payment (other than the payment being made by the Assignee pursuant to the first paragraph of this Section 4) required to be made on such Closing Date to such Builder with respect to the Equipment, unless such payment is made by the Assignee with funds furnished to it for that purpose by the Railroad;

provided, however, that with respect to Equipment for which

a Final Supplemental Invoice (as defined in the CSA) is submitted by any Builder as permitted by Article 4 of the CSA, the only documents which must be delivered to the Assignee are those required by subparagraphs (c) and (h) of this Section 4.

In giving the opinions specified in subparagraphs (d), (e) and (f) of the first paragraph of this Section 4, counsel may qualify any opinion to the effect that any agreement is a legal, valid and binding instrument enforceable in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally. In giving the opinion specified in said subparagraphs (d) and (e), counsel may rely on the opinion of counsel for such Builder as to authorization, execution and delivery by such Builder of the documents executed by such Builder and as to title to the Equipment of such Builder at the time of delivery thereof under the CSA; and in giving the opinion specified in said subparagraph (d), counsel may rely as to any matter governed by the law of any jurisdiction other than New York or the United States on the opinion of counsel for the Railroad as to such matter; and in giving the opinion specified in said subparagraph (e), counsel may rely on the bill of sale and opinion of counsel for such Builder as to claims, liens, security interests and other encumbrances arising from, through or under such Builder.

The obligation of the Assignee hereunder to make any payment provided for in this Section 4 is hereby expressly conditioned upon the Assignee's having on deposit, pursuant to the terms of the Finance Agreement, sufficient funds available thereunder to make such payment. The Assignee shall not be obligated to make payment at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 of the CSA or if an event of default, or any event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default, shall have occurred and be continuing under the CSA. In the event that the Assignee shall not make payment for any Group of the Equipment on any scheduled Closing Date as the same may from time to time be postponed, the Assignee shall be deemed to have reassigned to such Builder, without recourse to the Assignee, all right, title and interest of the Assignee in and to the units of the Equipment with respect to which payment has not been made by the Assignee, and at the request

of such Builder, confirm in writing such reassignment. In the event that the Assignee shall not make payment for any Final Supplemental Invoice on any scheduled Closing Date as the same may from time to time be postponed, the sole remedy of the Builder in respect thereof shall be an unsecured claim for the amount thereof against the Railroad and the payment thereof to the Builder shall not be secured by any lien, charge or security interest upon the Equipment of such Builder or any unit thereof.

SECTION 5. The Assignee may assign all or any of its rights under the CSA, including the right to receive any payments due or to become due to it from the Railroad thereunder. In the event of any such assignment any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

SECTION 6. Each Builder hereby severally:

(a) represents and warrants to the Assignee, its successors and assigns, that the CSA was duly authorized by it and lawfully executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by the Railroad, the CSA is, insofar as such Builder is concerned, a valid and existing agreement binding upon it and the Railroad in accordance with its terms and that it is now in force without amendment thereto;

(b) agrees that it will from time to time and at all times, at the request of the Assignee or its successors or assigns, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be; and

(c) agrees that, upon request of the Assignee and provided that the Assignee shall have made all payments which the Assignee is required by this Assignment to make to such Builder, its successors and assigns, it will execute any and all instruments which may be neces-

sary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of such Builder therein or in the Equipment of such Builder.

SECTION 7. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of Missouri; provided, however, that the parties shall be entitled to all the rights conferred as provided in Article 23 of the CSA.

SECTION 8. Although this Assignment is dated for convenience as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 9. This Assignment may be executed in any number of counterparts, all of which together shall constitute a single instrument. Each Builder shall be bound hereunder notwithstanding the failure of the other Builder to execute and deliver this Assignment or to perform its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

MERCANTILE TRUST COMPANY, N.A.,
As Agent,

by
Elden R. Stennberg
Vice President

[Corporate Seal]

Attest:

Victor Zarrilli
Assistant Secretary

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

by P. K. Hoglund
Vice President

[Corporate Seal]

Attest:

W. J. Scott
Assistant Secretary

GENERAL ELECTRIC COMPANY,

by M. S. Richardson
General Manager-Locomotive Operations

[Corporate Seal]

Attest:

J. T. Hughes
Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by R. K. Smith
Vice President

[Corporate Seal]

Attest:

M. Hemphill, Jr.
Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by Walter A. Dahl
Vice President

[Corporate Seal]

Attest:

R. W. Polster
~~Assistant~~ Secretary

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this 11thday of April 1980, before me personally appeared Elden R. Stennberg , to me personally known, who, being by me duly sworn, says that he is a Vice President of MERCANTILE TRUST COMPANY, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Dorothy Pusczek
Notary Public

[NOTARIAL SEAL]

Dorothy Pusczek

My Commission expires
August 25, 1980

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 8th day of April 1980, before me personally appeared P. K. Hoglund , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (Electro-Motive Division), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

T. K. Piorecki
Notary Public

[Notarial Seal]

My Commission expires
September 18, 1983

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this 9th day of April 1980, before me personally appeared M. S. Richardson , to me personally known, who, being by me duly sworn, says that he is General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Judy Crandall
Notary Public
Judy Crandall, Notary Public
Lawrence Park Twp. Erie County, Penna.
My Commission Expires January 16, 1984

[Notarial Seal]

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this 10th day of April 1980, before me personally appeared R. K. Smith , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Evelyn S. Weeks
Notary Public
My Commission Expires
City of Bethlehem
Lehigh County
October 13, 1982

[Notarial Seal]

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this 14th day of April 1980, before me personally appeared W. A. Dahl, to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

L. W. Moffett

Notary Public

L. W. Moffett, Notary Public
City of Washington, District of Columbia
My Commission Expires October 14, 1982

[Notarial Seal]

My Commission expires
October 14, 1982

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

MISSOURI PACIFIC RAILROAD COMPANY hereby acknowledges due notice of and consents to the assignment made by the foregoing Agreement and Assignment as of March 1, 1980.

MISSOURI PACIFIC RAILROAD COMPANY,

by M. M. Hennelley
Vice President

[CS&M Ref. 2043-986]

AMENDMENT AGREEMENT NO. 3, dated as of July 31, 1980, among Missouri Pacific Railroad Company (the "Railroad"), General Motors Corporation (Electro-Motive Division), General Electric Company, Bethlehem Steel Corporation, Greenville Steel Car Company, and Fruit Growers Express Company (collectively called the "Builders" and individually called "GM", "GE", "Bethlehem", "Greenville" and "Fruit Growers", respectively), and Mercantile Trust Company, N.A. (the "Assignee").

WHEREAS the Railroad and the Builders (except Greenville) have entered into a Conditional Sale Agreement dated as of March 1, 1980 (the "Conditional Sale Agreement"), providing for the construction, sale and delivery of certain items of railroad rolling stock specified in Schedule B thereto (the "Equipment");

WHEREAS the Builders (except Greenville) and the Assignee have entered into an Agreement and Assignment dated as of March 1, 1980 (the "Assignment"), assigning to the Assignee the rights of such Builders under the Conditional Sale Agreement therein specified;

WHEREAS the Conditional Sale Agreement and the Assignment were filed and recorded with the Interstate

Commerce Commission pursuant to 49 U.S.C. § 11303 on April 14, 1980, at 2:25 p.m., and were assigned recordation number 11671;

WHEREAS the Conditional Sale Agreement and the Agreement and Assignment were amended by Amendment Agreement No. 1 dated as of April 1, 1980, among the Railroad, GE and the Assignee ("Amendment Agreement No. 1");

WHEREAS Amendment Agreement No. 1 was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 24, 1980, at 1:35 p.m., and was assigned recordation number 11671-A;

WHEREAS the Conditional Sale Agreement and the Agreement and Assignment were amended by Amendment Agreement No. 2 dated as of May 1, 1980, among the Railroad, Bethlehem and the Assignee ("Amendment Agreement No. 2");

WHEREAS Amendment Agreement No. 2 was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on May 15, 1980, at 3:50 p.m., and was assigned recordation number 11671-B;

WHEREAS the Railroad and the Builders desire to amend the Conditional Sale Agreement by excluding from the Equipment the units which were to be manufactured and sold by Fruit Growers, and to substitute therefor certain units of equipment to be manufactured and sold by Greenville and hav-

ing a useful life at least equal to the useful life of the excluded equipment, all as more specifically set forth below;

WHEREAS the Assignee and the Builders propose to amend the Assignment to reflect the amendments to the Conditional Sale Agreement herein referred to; and

WHEREAS this substitution of Equipment is authorized by the third paragraph of Paragraph 2 of the Finance Agreement without the consent of the Investors.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and of other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto hereby agree as follows:

1. The reference to "Fruit Growers Express Company" is hereby deleted from the first introductory paragraph of the Finance Agreement dated as of March 1, 1980, among the Railroad, the Assignee and the investors named in Schedule A thereto and "Greenville Steel Car Company" is hereby substituted therefor.

2. Schedule B of the Conditional Sale Agreement is hereby amended to delete the following units of Equipment:

Builder:	Fruit Growers Express Company
Type:	100-ton Boxcars

AAR Mechanical Designation:	XP
Builder's Specifications:	S-467
Builder's Plant:	Alexandria, Virginia
Quantity:	28
Unit Base Price:	$76,400
Total Base Price:	$2,139,200
Road Numbers or Serial Numbers (Inclusive):	MP269431-MP269458
Estimated Time of Delivery at Builder's Plant:	July 1980

3. The Conditional Sale Agreement, a counterpart of which is attached hereto and incorporated herein by reference, is hereby amended by (w) by deleting the last sentence of the first paragraph of Article 3 thereof, (x) deleting all references to Fruit Growers and substituting as a party thereto, Greenville, which shall be deemed included for all purposes as a "Builder" therein, (y) amending and restating Item 1(d) and Item 2(d) of Schedule A to the Conditional Sale Agreement as set forth in Schedule A attached hereto, and deleting "Fruit Growers" and substituting therefor "Greenville" in Item 3, and (z) adding to Schedule B to the Conditional Sale Agreement the information with respect to equipment to be built by Greenville, as set forth in Schedule B hereto.

4. The Assignment, a counterpart of which is

attached hereto and incorporated herein by reference, is hereby amended (x) by deleting all references to Fruit Growers and substituting as a party thereto, Greenville, which shall be deemed included for all purposes as a "Builder" therein, and (y) by adding after the word "hereof" in the third line of the introductory paragraph thereof the words "as amended by Amendment Agreement No. 1 dated as of April 1, 1980, Amendment Agreement No. 2 dated as of May 1, 1980, and Amendment Agreement No. 3 dated as of July 31, 1980".

5. The Assignee hereby consents to the foregoing amendments to the Conditional Sale Agreement and the Assignment and the addition of Greenville as a party to each thereof.

6. The Railroad will promptly cause this Amendment Agreement to be filed and recorded in accordance with the provisions of Article 19 of the Conditional Sale Agreement prior to the delivery of any Equipment by Greenville under the Conditional Sale Agreement.

7. Except as hereby or heretofore amended, the Conditional Sale Agreement and the Assignment shall remain unaltered and in full force and effect.

8. This Amendment Agreement shall be governed and construed in accordance with the laws of the State of Missouri; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

9. This Amendment Agreement may be executed in several counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party shall execute a counterpart thereof.

IN WITNESS WHEREOF, the parties hereto have caused their names to be signed hereto by their respective officers thereunto duly authorized, and their respective corporate seals, duly attested, to be hereunto affixed as of the day and year first above written.

MISSOURI PACIFIC RAILROAD COMPANY,

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

MERCANTILE TRUST COMPANY, N.A.,

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

GREENVILLE STEEL CAR COMPANY,

by

Chairman of the Board

[Corporate Seal]

Attest:

Assistant Secretary

GENERAL MOTORS CORPORATION
(Electro-Motive Division),

by

Vice President

[Corporate Seal]

Attest:

Assistant Secretary

GENERAL ELECTRIC COMPANY,

by

~~General Manager~~
~~Locomotive Operations~~
MANAGER-MARKETING
LOCOMOTIVE MARKETING DEPARTMENT

[Corporate Seal]

Attest:

Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by

Vice President

[Corporate Seal]

Attest:

Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by

Vice President

[Corporate Seal]

Attest:

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of MISSOURI PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires:

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of MERCANTILE TRUST COMPANY, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation and that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires:

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF MERCER,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is Chairman of the Board of GREENVILLE STEEL CAR COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires:

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (Electro-Motive Division), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires:

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this 18th day of August 1980, before me personally appeared R. D. Morey, to me personally known, who, being by me duly sworn, says that he is ~~General~~ Manager Marketing Locomotive Marketing Department ~~Manager-Locomotive Operations~~ of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Judy Crandall
Notary Public
Judy Crandall, Notary Public
Lawrence Park Twp., Erie County, Penna.
My Commission Expires Jan. 16, 1984

[Notarial Seal]

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires

Schedule A

Item 1: (d) Greenville Steel Car Company, a Pennsylvania corporation, Union Street, Greenville, Pennsylvania 16125.

Item 2: [Warranty of materials and Workmanship] (d) Greenville Steel Car Company ("Greenville") warrants that its Equipment will be built in accordance with the Specifications and the standards and requirements set forth or referred to in Article 2 of this Agreement and warrants that its Equipment will be free from defects in material (except as to specialties incorporated therein specified by the Railroad and not manufactured by Greenville) and workmanship and design (except as to designs specified by the Railroad and not developed by Greenville) under normal use and service, Greenville's obligation under this Item 2(d) being limited to making good at its plant any part or parts of any unit of its Equipment which shall, within ~~two~~ one years or 50,000 miles, whichever occurs first, after the delivery of such units of its Equipment to the Railroad, be returned to Greenville with transportation charges prepaid and which examination by Greenville shall disclose to its satisfaction to have been thus defective. In no event shall Greenville be liable to anyone for any incidental, special or consequential damages of any kind. The foregoing warranty is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose, except for its obligations or liabilities under Articles 2, 3, 4 and 14 of the Agreement, and Item 3 below, and Greenville neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment.

Greenville agrees to use its best efforts to include, as a condition of its purchase order with the vendor of any specialty purchased by Greenville for incorporation in the Equipment manufactured by it, an agreement by such vendor to the effect that all warranty agreements and representations, if any, made by such vendor with respect to such specialty may be enforced by the

Railroad, in the Railroad's own name, by Greenville, in Greenville's own name, or by Greenville and the Railroad jointly; provided, however, that if any vendor does not accept such an agreement and Greenville so notifies the Railroad, Greenville shall have no obligation to the Railroad under this sentence if such an agreement is not contained in any such purchase order. Greenville further agrees that, whether or not such an agreement is contained in any such purchase order, the Railroad as well as Greenville may to the extent permitted by law take and prosecute claims against vendors of specialties purchased by Greenville for incorporation in the Equipment manufactured by Greenville for the breach of any warranty by the vendors with respect to such specialties. Greenville and the Railroad each agree to notify the other prior to the assertion of any claim by them against any such vendors of specialties. If Greenville determines that it has no interest in any such claim asserted by the Railroad, Greenville agrees to assign to the Railroad, solely for the purpose of making and prosecuting any such claim, all of the rights which Greenville has against such vendor for the breach of warranty or other representation respecting the Equipment manufactured by it. The word "specialties" as used herein shall be deemed to include articles, materials, systems, formulae and processes.

Greenville further agrees with the Railroad that neither the inspection as provided in Article 3 of this Agreement, nor any examination, nor the acceptance of any units of the Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 2(d).

Schedule B

Builder:	Greenville Steel Car Company
Type:	100-ton Wood Chip Hopper Cars
AAR Mechanical Designation:	HTS
Builder's Specifications:	H-6043B
Builder's Plant:	Greenville, Pennsylvania
Quantity:	35
Unit Base Price:	$58,300
Total Base Price:	$2,040,500
Road Numbers or Serial Numbers (Inclusive):	MP592950-MP592984
Estimated Time and Place of Delivery at Builder's Plant:	October ~~November~~ 1980--December ~~January 1981~~ 1980

EXHIBIT A

[CS&M 2043-986]

CONDITIONAL SALE AGREEMENT

Dated as of March 1, 1980

Between each of

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

GENERAL ELECTRIC COMPANY,

BETHLEHEM STEEL CORPORATION

and

FRUIT GROWERS EXPRESS COMPANY

and

MISSOURI PACIFIC RAILROAD COMPANY

AGREEMENT AND ASSIGNMENT

Dated as of March 1, 1980

Between each of

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

GENERAL ELECTRIC COMPANY,

BETHLEHEM STEEL CORPORATION

and

FRUIT GROWERS EXPRESS COMPANY

and

MERCANTILE TRUST COMPANY, N.A.,
as Agent.

Filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 14, 1980, at 2:25 p.m., recordation number 11671, and conformed to reflect Amendment Agreements dated as of April 1, 1980, and May 1, 1980, respectively, filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 24, 1980, at 1:35p.m., recordation number 11671-A, and May 15, 1980, at 3:50 p.m., recordation number 11671-B, respectively.

CONDITIONAL SALE AGREEMENT

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CONDITIONAL SALE AGREEMENT dated as of March 1, 1980, between each of GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION), GENERAL ELECTRIC COMPANY, BETHLEHEM STEEL CORPORATION and FRUIT GROWERS EXPRESS COMPANY (collectively the "Builders" or severally the "Builder", or collectively or severally the "Vendor" as the context may require, all as more particularly set forth in Article 1 hereof), and MISSOURI PACIFIC RAILROAD COMPANY, a Delaware corporation (the "Railroad").

The Builders severally have agreed to construct, sell and deliver to the Railroad, and the Railroad has agreed to purchase, the equipment described in Schedule B hereto (the "Equipment").

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

ARTICLE 1. Certain Definitions. The term "Vendor", whenever used in this Agreement, means, before any assignment of any of their rights hereunder, the respective corporations named in Item I of Schedule A hereto and any successor or successors for the time being to their manufacturing properties and businesses, and, after any such assignment, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also any assignor as regards any rights hereunder that are retained or excluded from any assignment. The parties hereto contemplate that this Agreement shall be assigned to Mercantile Trust Company, N.A., acting as agent under a Finance Agreement dated as of the date hereof (said agent being hereinafter sometimes called the "Agent" and said Finance Agreement being hereinafter called the "Finance Agreement"). The term "Builder", whenever used in this Agreement, means, both before and after any such assignment, the respective corporations (as to the units of Equipment to be constructed by such corporation and sold hereunder) named in Item 1 of Schedule A hereto and any successor or successors for the time being to their respective manufacturing properties and businesses.

The rights and obligations of the Builders under this Agreement are several in accordance with their interests

and not joint. Accordingly, whenever this Agreement, by the use of such designation as "the Vendor", "such Builder" or other similar term, confers a right or imposes an obligation upon any corporation named in Item 1 of Schedule A hereto or its successor, such right or obligation shall be construed to accrue to or to be enforceable against only the specific corporation furnishing the units of Equipment giving rise to such right or obligation and its successors as herein provided.

ARTICLE 2. Construction and Sale. Pursuant to this Agreement, each Builder shall construct the units of the Equipment to be constructed by it as described in Schedule B hereto (such units of Equipment with respect to such Builder being hereinafter called "its Equipment") at its plant set forth in said Schedule B and will sell and deliver to the Railroad, and the Railroad will purchase from such Builder and accept delivery of and pay for (as hereinafter provided), such Equipment, each unit of which shall be constructed in accordance with the specifications set forth or referred to therefor in Schedule B hereto and in accordance with such modifications thereof as may be agreed upon in writing between such Builder and the Railroad (which specifications and modifications, if any, are hereinafter called the "Specifications"). The design, quality and component parts of each unit of the Equipment shall conform, on the date of completion of manufacture of each thereof, to all Department of Transportation and Interstate Commerce Commission requirements and specifications and to all standards recommended by the Association of American Railroads reasonably interpreted as being applicable to equipment of the character of such units of the Equipment and each unit of the Equipment will be new railroad equipment.

ARTICLE 3. Inspection and Delivery. Each Builder will deliver the units of its Equipment to the Railroad at the place or places specified in Schedule B hereto (or if said Schedule B does not specify a place or places, at the place or places designated from time to time by the Railroad), freight charges, if any, prepaid and for the account of the Railroad in accordance with the delivery schedule set forth in Schedule B hereto; provided, however, that no Builder shall have any obligation to deliver any unit of Equipment hereunder at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 hereof or if any event of default (as described in said Article 16), or event which with the lapse of time and/or demand could

constitute such an event of default, shall have occurred and be continuing. It is agreed between the Railroad and Fruit Growers Express Company that the obligation of Fruit Growers Express Company to construct the units of its Equipment is subject to its constructing the same type of equipment for Consolidated Rail Corporation.

Each Builder's obligation as to time of delivery is subject, however, to delays resulting from causes beyond such Builder's reasonable control, including but not limited to acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities, delays in receiving necessary materials or delays of carriers or subcontractors.

Notwithstanding the preceding provisions of this Article 3, any Equipment not delivered, accepted and settled for pursuant to Article 4 hereof on or before the Cut-Off Date (as defined in Article 4 hereof) shall be excluded herefrom. If any unit or units of Equipment shall be excluded from this Agreement pursuant to the preceding sentence, the Builder or Builders of such unit or units and the Railroad shall execute an agreement supplemental hereto limiting this Agreement to the units of Equipment not so excluded herefrom. If a Builder's failure to deliver Equipment so excluded from this Agreement resulted from one or more of the causes set forth in the immediately preceding paragraph, the Railroad shall nevertheless be obligated to accept such Equipment and pay the full purchase price therefor, determined as provided in this Agreement, if and when such Equipment shall be completed and delivered by such Builder, such payment to be in cash on the delivery of such Equipment, either directly or, in case the Railroad shall arrange therefor, by means of a conditional sale agreement, equipment trust or such other appropriate method of financing as the Railroad shall determine and as shall be reasonably acceptable to such Builder.

During construction, the Equipment shall be subject to inspection and approval by the authorized inspectors of the Railroad and each Builder shall grant to such authorized inspectors reasonable access to its plant. Each Builder agrees to inspect all materials used in the construction of

its Equipment in accordance with the standard quality control practices of such Builder. Upon completion of each unit or of a number of units of the Equipment, such unit or units shall be presented to an inspector of the Railroad for inspection at the place specified for delivery of such unit or units, and if each such unit conforms to the Specifications, requirements and standards applicable thereto, such inspector or an authorized representative of the Railroad shall execute and deliver to such Builder a certificate of acceptance (the "Certificate of Acceptance") stating that such unit or units have been inspected and accepted on behalf of the Railroad and are marked in accordance with Article 7 hereof; provided, however, that such Builder shall not thereby be relieved of its warranty referred to in Article 14 hereof.

On delivery to and acceptance by the Railroad of each such unit hereunder at the place specified for delivery, the Railroad will assume the responsibility and risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of such unit.

ARTICLE 4. Purchase Price and Payment. The base price or prices per unit of the Equipment are set forth in Schedule B hereto. Such base price or prices are subject to such increase or decrease as is agreed to by the Builder thereof and the Railroad. The term "Purchase Price" as used herein shall mean the base price or prices as so increased or decreased, including without limitation any increase pursuant to the presentation of a supplemental invoice as hereinafter provided, plus off-line freight charges, if any.

If the aggregate Purchase Price shall exceed $59,172,500, the Builder or Builders (and any assignee of the Builders) and the Railroad, unless waived by the Railroad, will enter into an agreement excluding from this Agreement such unit or units of Equipment then proposed to be settled for and specified by the Railroad, as will, after giving effect to such exclusion, reduce the aggregate Purchase Price of the Equipment under this Agreement to not more than $59,172,500, and the Railroad agrees to purchase any such unit or units so excluded from this Agreement from the Builder thereof for cash on the date such unit or units would otherwise have been settled for under this Agreement either directly, or by means of a conditional sale, equipment trust or other appropriate method of financing as the Railroad

shall determine and shall be reasonably acceptable to such Builder.

For the purpose of making settlement, the Equipment of each Builder shall be divided into such number of groups of units of the Equipment, delivered to and accepted by the Railroad (each such group being hereinafter called a "Group"), as such Builder and the Railroad may agree to.

The Railroad hereby acknowledges itself to be indebted to the Vendor in the amount of, and hereby promises to pay in cash to the Vendor at such place as the Vendor may designate, the Purchase Price of the Equipment, as follows:

(a) on each Closing Date (as hereinafter defined) an amount equal to (i) 20% of the Purchase Price of all units of the Equipment for which settlement is then being made, as stated in the invoice or invoices presented (including the supplemental invoice or invoices hereinafter provided for) in respect of such Closing Date (said invoiced prices being herein called the "Invoiced Purchase Prices") plus (ii) the amount, if any, by which the Invoiced Purchase Price of all units of the Equipment for which settlement has theretofore or is then being made, exceeds $47,338,000; and

(b) in 15 consecutive equal annual installments, as hereinafter provided, an amount equal to the aggregate of the Invoiced Purchase Prices for all the Equipment less the amount paid or payable with respect thereto pursuant to subparagraph (a) of this paragraph (the aggregate of said installments being hereinafter called the "CSA Indebtedness").

In the event that on any Closing Date the final Purchase Price of any Group has not been determined, the invoice presented may be for an estimated Purchase Price (as evidenced by the words "Interim Invoice" written on the face of such invoice), subject to adjustment upon determination of the final Purchase Price, and a supplemental invoice may be presented by the appropriate Builder at least 10 days prior to any subsequent Closing Date for settlement on such subsequent Closing Date for any increase in the Purchase Price. Any prior preliminary invoice or invoices presented by such Builder shall be in an amount not in excess of the final Purchase Price of such Group. One final supplemental invoice (the "Final Supplemental Invoice") may be presented

by a Builder after the last Closing Date on which a Certificate or Certificates of Acceptance is presented for the last Group of Equipment provided by such Builder; provided, however, that the Final Supplemental Invoice may only be presented on or prior to June 1, 1981 (the "Cut-Off Date"), and that the notation "Final Supplemental Invoice" shall appear on the face thereof.

The installments of the CSA Indebtedness payable pursuant to subparagraph (b) of the fourth paragraph of this Article 4 shall be payable annually on June 1 in each year commencing on June 1, 1981, to and including June 1, 1995, or, if any such date is not a business day, on the next succeeding business day. The unpaid portion of the CSA Indebtedness shall bear interest from the respective Closing Dates on which such indebtedness was incurred at a rate of 12-3/4% per annum from the Closing Date on which such indebtedness was incurred; provided, however, that interest on the investment of The Northern Trust Company (the "Interim Investor" as defined in the Finance Agreement) in the CSA Indebtedness incurred hereunder shall be payable for the period from the Closing Date or Dates with respect thereto until August 8, 1980, at a rate per annum equal to the rate of interest in effect from time to time during such period charged by the Interim Investor for prime commercial loans of 90-day maturities to its corporate borrowers of the highest credit rating (the "Prime Rate"), and after August 8, 1980, at the rate of 12-3/4% per annum. All such interest shall be payable, to the extent accrued, on June 1 and December 1 in each year, commencing December 1, 1980, or, if any such date is not a business day, on the next succeeding business day; provided, however, that interest payable pursuant to the proviso to the preceding sentence shall be payable on August 8, 1980.

The term "Closing Date" with respect to any Group of the Equipment shall mean such date (on or after April 8, 1980, and on or prior to the Cut-Off Date), not more than 10 business days following presentation by the Builder of the Equipment in such Group to the Railroad of the invoice and the Certificate or Certificates of Acceptance for such Group, as shall be fixed by the Railroad by written notice delivered to the Vendor at least 5 business days prior to the Closing Date designated therein; provided, however, that the aggregate of the Invoiced Purchase Prices of all Equipment settled for pursuant to this Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) on any Closing Date shall not exceed 125% of the amount then on deposit with the

Vendor pursuant to the Finance Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) under which the Vendor is acting as agent for the institutional investors therein named. The term "business days" as used herein means calendar days, excluding Saturdays, Sundays and any other day on which banking institutions in St. Louis, Missouri, or New York, New York, are authorized or obligated to remain closed.

All interest under this Agreement shall be calculated on the basis of a 360-day year of 12 30-day months.

The Railroad will pay, to the extent legally enforceable, interest at the rate of 13-3/4% per annum (or 1% per annum over the Prime Rate then in effect in the case of the Interim Investor) upon all amounts remaining unpaid after the same shall have become due and payable pursuant to the terms hereof, anything herein to the contrary notwithstanding.

All payments provided for in this Agreement shall be made in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. Except as provided in Article 8 hereof, the Railroad shall not have the privilege of prepaying any installment of its indebtedness hereunder prior to the date it becomes due.

In the event the Vendor, pursuant to Article 15 hereof, assigns the right to receive the payments herein provided to be made by the Railroad, the assignee thereof may request the Railroad to make and the Railroad shall make such payments to it at such address as shall be supplied to the Railroad by the assignee.

ARTICLE 5. Taxes. All payments to be made by the Railroad hereunder will be free of expense to the Vendor for collection or other charges and will be free of expense to the Vendor with respect to the amount of any local, state, Federal or foreign taxes (other than net income, gross receipts [except gross receipts taxes in the nature of or in lieu of sales or use taxes], excess profits and similar taxes) or license fees, assessments, charges, fines or penalties hereafter levied or imposed upon or in connection with or measured by, this Agreement or any sale, use, payment, shipment, delivery or transfer of title under the terms hereof (all such expenses, taxes, license fees, assessments, charges, fines and penalties being hereinafter called "impositions"), all of which impositions the Railroad assumes and

agrees to pay on demand. The Railroad will also pay promptly all impositions which may be imposed upon the Equipment delivered to it or for the use or operation thereof or upon the earnings arising therefrom or upon the Vendor solely by reason of its interest therein and will keep at all times all and every part of the Equipment free and clear of all impositions which might in any way affect the security interest of the Vendor or result in a lien upon any part of the Equipment; provided, however, that the Railroad shall be under no obligation to pay any impositions of any kind so long as it is contesting in good faith and by appropriate legal proceedings such impositions and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the interest or rights of the Vendor in or to the Equipment or otherwise under this Agreement. If any such impositions shall have been charged or levied against the Vendor directly and paid by the Vendor, the Railroad shall reimburse the Vendor upon presentation of an invoice therefor, and any amounts so paid by the Vendor shall be secured by and under this Agreement; provided, however, that the Railroad shall not be obligated to reimburse the Vendor for any impositions so paid unless the Vendor shall have been legally liable with respect thereto (as evidenced by an opinion of counsel for the Vendor) or unless the Railroad shall have approved the payment thereof.

ARTICLE 6. Title to the Equipment. The Vendor shall and hereby does retain title to and a security interest in the Equipment until the Railroad shall have made all its payments under this Agreement and shall have kept and performed all its agreements herein contained, notwithstanding the delivery of the Equipment to and the possession and use thereof by the Railroad as provided in this Agreement. Any and all additions to the Equipment and any and all replacements of the Equipment and of parts thereof and additions thereto shall constitute accessions to the Equipment and shall be subject to all the terms and conditions of this Agreement and included in the term "Equipment" as used in this Agreement.

Except as otherwise specifically provided in Article 8 hereof, when and only when the full indebtedness in respect of the Purchase Price of the Equipment, together with interest and all other payments as herein provided, shall have been paid by the Railroad, and all the Railroad's obligations herein contained shall have been performed by the Railroad, absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the

Railroad without further transfer or action on the part of the Vendor. However, the Vendor, if so requested by the Railroad at that time, will (a) execute a bill or bills of sale for the Equipment transferring and releasing its interest therein to the Railroad, or upon its order, free of all claims, liens, security interests and other encumbrances created or retained hereby and deliver such bill or bills of sale to the Railroad at its address referred to in Article 21 hereof, (b) execute and deliver at the same place, for filing, recording or depositing in all necessary public offices, such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the release of the security interest of the Vendor in the Equipment and (c) pay to the Railroad any money paid to the Vendor pursuant to Article 8 hereof and not theretofore applied as therein provided. The Railroad hereby waives and releases any and all rights, existing or that may be acquired, in or to the payment of any penalty, forfeit or damages for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file any certificate of payment in compliance with any law or statute requiring the filing of the same, except for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file such certificate within a reasonable time after written demand by the Railroad.

ARTICLE 7. Marking of the Equipment. The Railroad will cause each unit of the Equipment to be kept numbered with its identifying number as set forth in Schedule B hereto, or in the case of Equipment not there listed such identifying number as shall be set forth in any amendment or supplement hereto extending this Agreement to cover such Equipment, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each unit, in letters not less than one inch in height, the words "Ownership Subject to a Security Agreement Filed with the Interstate Commerce Commission", or the name of the Vendor followed by the words "Agent, Owner", or other appropriate markings approved by the Vendor with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Vendor's interest in the Equipment and its rights under this Agreement. The Railroad will not place any such unit in operation or exercise any control or dominion over the same until such markings have been made thereon and will replace promptly any such markings which may be removed, defaced or destroyed. The Railroad will not change the number of any unit of the Equipment except in accordance with

a statement of new number or numbers to be substituted therefor, which statement previously shall have been filed with the Vendor by the Railroad and filed, recorded and deposited by the Railroad in all public offices where this Agreement shall have been filed, recorded and deposited.

Except as provided in the immediately preceding paragraph, the Railroad will not allow the name of any person, association or corporation to be placed on any unit of the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Railroad may cause the Equipment to be lettered with the names or initials or other insignia of the Railroad or its affiliates.

ARTICLE 8. Casualty Occurrences; Insurance. In the event that any unit of the Equipment shall be worn out, lost, stolen, destroyed, irreparably damaged or otherwise rendered permanently unfit for use from any cause whatsoever, or taken or requisitioned by condemnation or otherwise or the Purchase Price (or any portion thereof) of any unit shall have been refunded by a Builder pursuant to such Builder's patent indemnities therefor as set forth in Item 3 of Schedule A hereto (such occurrences being hereinafter called "Casualty Occurrences"), the Railroad shall promptly and fully inform the Vendor in regard thereto (after it has knowledge of such Casualty Occurrence). When the aggregate Casualty Value (as defined herein and in the Other Agreement as defined in Item 4 of Schedule A hereto) of all units of the Equipment and all units of the railroad equipment covered by the Other Agreement having suffered a Casualty Occurrence (exclusive of units having suffered a Casualty Occurrence with respect to which a payment shall have been made to the Vendor pursuant to this Article 8 or Article 8 of the Other Agreement) hereunder shall exceed $250,000 (or such lesser amount as the Railroad may elect), the Railroad, within 30 days after it has knowledge of such event, shall promptly pay to the Vendor a sum equal to the aggregate Casualty Value of such units of the Equipment as of the date of such payment and shall file with the Vendor a certificate of an officer of the Railroad setting forth the Casualty Value of each unit of the Equipment suffering a Casualty Occurrence.

So long as no event of default shall have occurred and be continuing, any money paid to the Vendor pursuant to the preceding paragraph of this Article 8 shall be used, as the Railroad shall direct in a written instrument filed with the Vendor not less than 10 days prior to the due date of the

next annual installment of CSA Indebtedness, in whole or in part, to prepay installments of CSA Indebtedness or toward not more than 80% of the cost of a unit or units of new standard-gauge railroad equipment (other than passenger or work equipment of types other than locomotives), to replace units suffering a Casualty Occurrence and the Railroad shall pay the balance of such cost of replacement equipment, in addition to the Casualty Value payment provided above; provided, however, that the total fair value of all cabooses and locomotives which will be subject to this Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) will not exceed 6% and 59% respectively of all Equipment (and its cash equivalent) subject to this Agreement and the Other Agreement. In case any money is applied pursuant to this Article 8 to prepay indebtedness, it shall be so applied to reduce each installment of CSA Indebtedness thereafter falling due pro rata.

The Casualty Value of each unit of the Equipment (other than a replacement unit) shall be deemed to be that amount which bears the same ratio to the original Purchase Price thereof (less an amount which bears the same ratio to the aggregate of all payments made by the Railroad pursuant to subparagraph (a) of the fourth paragraph of Article 4 hereof as the original Purchase Price of such unit bears to the original aggregate Purchase Price of all the Equipment) as the unpaid CSA Indebtedness (without giving effect to any prepayments then or theretofore made pursuant to this Article 8) as of the date payment is made with respect to such Casualty Occurrence bears to the original CSA Indebtedness. The Casualty Value of each replacement unit shall be deemed to be that amount which bears the same ratio to the portion of the cost thereof paid by the Vendor as the unpaid CSA Indebtedness (without giving effect to any prepayments then or theretofore made pursuant to this Article 8) as of the date payment is made with respect to such Casualty Occurrence bears to the unpaid CSA Indebtedness (without giving effect to any such prepayments) as of the date of acquisition by the Vendor of such replacement unit.

The Railroad will cause any replacement unit or units to be marked as provided in Article 7 hereof. Any and all such replacements of Equipment shall constitute accessions to the Equipment and shall be subject to all appropriate terms and conditions of this Agreement as though part of the original Equipment delivered hereunder and shall be included in the term "Equipment" as used in this Agreement; provided, however, that nothing herein shall result in any

Builder having any liability or obligation pursuant to this Agreement with respect to any replacement unit or units not manufactured by it. Title to all such replacement units shall be free and clear of all liens and encumbrances except the liens permitted by the second paragraph of Article 12 hereof and shall be taken initially and shall remain in the name of the Vendor subject to the provisions hereof, and the Railroad shall execute, acknowledge, deliver, file, record or deposit all such documents and do any and all such acts as may be necessary to cause such replacement units to come under and be subject to this Agreement. All such replacement units shall be guaranteed and warranted in like manner as is customary at the time for similar equipment.

Whenever the Railroad shall file with the Vendor a written direction to apply amounts toward the cost of any replacement unit or units, the Railroad shall file therewith in addition to any settlement documents which may be required pursuant to the fifth paragraph of Article 15 hereof:

(1) a certificate of an appropriate officer of the Railroad certifying that such replacement unit is new standard-gauge railroad equipment (other than passenger or work equipment of types other than locomotives), has been marked as required by the provisions of this Article 8, the cost of such replacement equipment and compliance with the percentage limitations for cabooses and locomotives set forth in the second paragraph of this Article 8.

(2) an opinion of counsel for the Railroad that the Vendor has a valid and perfected security interest in such replacement unit, free and clear from all claims, liens, security interests and other encumbrances except the rights of the Railroad under this Agreement, and that such unit has come under and become subject to this Agreement and all necessary filings and recordings have been made to perfect the interests of the Vendor herein.

So long as no event of default shall have occurred and be continuing, any money paid to the Vendor pursuant to this Article 8 shall, if the Railroad shall in writing so direct, be invested, pending its application as hereinabove provided, in such of the following as may be specified in such written direction: (i) direct obligations of the United States of America or obligations for which the full faith and credit of the United States is pledged to provide for the payment of principal and interest, (ii) open market commercial paper rated A-1 by Standard & Poor's Corporation or prime-1

by NCO/Moody's Commercial Paper Division of Moody's Investors Service, Inc., or the successor of either of them, or (iii) certificates of deposit of domestic commercial banks in the United States of America having total capital and surplus in excess of $100,000,000, in each case maturing in not more than one year from the date of such investment (such investments being herein called "Investments"), but in no event shall any of such Investments be purchased at a premium. Any such obligations shall from time to time be sold and the proceeds reinvested in such Investments as the Railroad may in writing direct. Any interest received by the Vendor on any Investments shall be held by the Vendor and applied as hereinafter provided. Upon any sale or the maturity of any Investments, the proceeds thereof, plus any interest received by the Vendor thereon, up to the cost (including accrued interest) thereof, shall be held by the Vendor for application pursuant to this Article 8, and any excess shall be paid to the Railroad. If such proceeds (plus such interest) shall be less than such cost, the Railroad will promptly pay to the Vendor an amount equal to such deficiency. The Railroad will pay all expenses incurred by the Vendor in connection with the purchase and sale of Investments.

If any unit of the Equipment is removed for repairs other than running repairs or becomes unsuitable or not necessary for continued use by the Railroad in the Railroad's business or operations, such occurrence shall, upon the election of the Railroad evidenced by written notice to the Vendor, constitute a Casualty Occurrence subject to the provisions of this Article 8; provided, however, that the Railroad shall direct any money paid to the Vendor in respect thereof to be applied only toward not more than 80% of the cost of replacement equipment and not to prepay any installment of CSA Indebtedness.

If one or more events of default shall have occurred and be continuing, all money held by the Vendor pursuant to this Article 8 (including, for this purpose, Investments) shall be applied by the Vendor as if such money were money received upon the sale of Equipment pursuant to Article 17 hereof.

In order to facilitate the sale or other disposition of any Equipment suffering a Casualty Occurrence, the Vendor shall, upon request of the Railroad, after payment by the Railroad of a sum equal to the Casualty Value of such Equipment, execute and deliver to the Railroad or the Railroad's vendee, assignee or nominee, a bill of sale (without warranties) for such Equipment, and such other documents as

may be required to release such Equipment from the terms and scope of this Agreement, in such form as may be reasonably requested by the Railroad.

The Railroad will at all times prior to the payment of the full indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon and all other payments required hereby, at its own expense, cause to be carried and maintained insurance in respect of the Equipment at the time subject hereto in amounts and against risks customarily insured against by railroad companies of similar financial condition and having similar operations on similar equipment, and in any event in amounts and against risks comparable to those insured against by the Railroad on similar equipment owned by it.

ARTICLE 9. Maintenance; Compliance with Laws and Rules. The Railroad will at all times maintain the Equipment or cause the Equipment to be maintained in good order and repair at its own expense, normal wear and tear excepted, and eligible (in the case of Equipment other than locomotives and cabooses) for interchange in accordance with the interchange rules of the Association of American Railroads.

During the term of this Agreement, the Railroad will at all times comply in all respects with all laws of the jurisdictions in which its operations involving the Equipment may extend, with the interchange rules of the Association of American Railroads and with all lawful rules of the Department of Transportation, Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Equipment, to the extent that such laws and rules affect the title, operation or use of the Equipment, and in the event that such laws or rules require any alteration or replacement of or addition to any part on any unit of the Equipment, the Railroad will conform therewith, at its own expense; provided, however, that the Railroad may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor under this Agreement.

ARTICLE 10. Reports and Inspections. On or before April 1 in each year, commencing with the year 1981, the Railroad shall furnish to the Vendor an accurate statement signed by an officer of the Railroad (a) setting forth as at the preceding December 31 the amount, description and numbers of all units of the Equipment that have suffered a Casualty Occurrence during the preceding 12 months (or since the date of this Agreement in the case of the first such statement) or

that have been withdrawn from use pending repairs (other than running repairs) and such other information regarding the condition and state of repair of the Equipment as the Vendor may reasonably request and (b) stating that, in the case of all Equipment repaired or repainted during the period covered by such statement, the numbers and markings required by Article 7 hereof have been preserved or replaced. The Vendor shall have the right, by its agents, to inspect the Equipment and the Railroad's records with respect thereto at such reasonable times as the Vendor may reasonably request during the term of this Agreement.

ARTICLE 11. Possession and Use. The Railroad, so long as an event of default shall not have occurred under this Agreement and be continuing, shall be entitled to the possession of the units of Equipment and the use thereof upon the lines of railroad owned or operated by it either alone or jointly with others and whether under lease or otherwise, or upon the lines of railroad owned or operated by any railroad company controlled by, or under common control with, the Railroad, or over which it has trackage rights, or upon connecting and other carriers in the usual interchange of traffic or pursuant to run-through agreements, from and after delivery of such units of Equipment by the Builder of such units to the Railroad, but only upon and subject to all the terms and conditions of this Agreement; provided, however, that the Railroad shall not be entitled to assign the Equipment for service involving the regular operation and maintenance thereof outside of the United States of America except in normal interchange.

ARTICLE 12. Prohibition Against Liens. The Railroad will pay or discharge any and all sums claimed by any party from, through or under the Railroad or its successors or assigns which, if unpaid, might become a lien, charge or security interest on or in the Equipment, or any unit thereof, equal or superior to the Vendor's interest therein; provided, however, that the Railroad shall be under no obligation to pay or discharge any such claim so long as it is contesting in good faith and by appropriate legal proceedings such claim and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor in or to the Equipment or otherwise under this Agreement. Any amounts paid by the Vendor in discharge of liens, charges or security interests upon the Equipment shall be secured by and under this Agreement.

This covenant will not be deemed breached by reason of liens for taxes, assessments or governmental charges or levies, in each case not due and delinquent, or undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or other like liens arising in the ordinary course of business and, in each case, not delinquent.

ARTICLE 13. Railroad's Indemnities. The Railroad agrees to indemnify, protect and hold harmless the Vendor from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including counsel fees, arising out of retention by the Vendor of title to and a security interest in the Equipment, the use and operation thereof by the Railroad during the period when title remains in the Vendor or the transfer of title to the Equipment by the Vendor pursuant to any of the provisions of this Agreement. This covenant of indemnity shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

ARTICLE 14. Patent Indemnities; Each Builder's Warranty of Material and Workmanship. Each Builder's indemnities with respect to patent infringement, its warranty of material and workmanship and the limitations of its liability with regard thereto are set forth in Schedule A hereto.

ARTICLE 15. Assignments. The Railroad will not sell, assign, transfer or otherwise dispose of its rights under this Agreement or, except as provided in Article 11 hereof, transfer the right to possession of any unit of the Equipment without first obtaining the written consent of the Vendor, which consent will not be unreasonably withheld. A sale, assignment, transfer or disposition to a solvent, Class 1 railroad company organized under the laws of the United States of America or any of the states thereof which shall acquire all or substantially all the lines of railroad of the Railroad, and which, by execution of an appropriate instrument satisfactory to the Vendor, shall assume and agree to perform each of, and all, the obligations and covenants of the Railroad under this Agreement, shall not be deemed a breach of this covenant and thereupon, the successor railroad company shall be for all purposes the "Railroad" hereunder.

All or any of the rights, benefits and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Railroad, may be assigned by the Vendor and reassigned by any assignee at any time or from time to time. No such assignment shall subject any assignee to, or relieve any Builder from, any of the obligations of such Builder to construct and deliver the Equipment in accordance with this Agreement or to respond to its warranties and indemnities contained or

referred to in Article 14 hereof, or relieve the Railroad of any of its obligations to such Builder under Articles 2, 3, 4, 5, 13 and 14 hereof, Schedule A hereto and this Article 15 or of any other obligation which, according to its terms or context, is intended to survive an assignment.

Upon any such assignment either the assignor or the assignee shall give written notice to the Railroad, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all the assignor's right, title and interest in and to the Equipment and this Agreement, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Railroad of the notification of any such assignment, all payments thereafter to be made by the Railroad under this Agreement to the Vendor shall, to the extent so assigned, be made to the assignee in such manner as it may direct.

The Railroad recognizes that it is the custom of railroad equipment manufacturers to assign conditional sale agreements and understands that the assignment of this Agreement, or of some of or all the rights of the Vendor hereunder, is contemplated. The Railroad expressly represents, for the purpose of assurance to any person, firm or corporation considering the acquisition of this Agreement or of all or any of the rights of the Vendor hereunder and for the purposes of inducing such acquisition, that in the event of such assignment by the Vendor as hereinbefore provided, the rights of such assignee to the entire unpaid indebtedness in respect of the Purchase Price or such part thereof as may be assigned, together with interest thereon, as well as any other rights hereunder which may be so assigned, shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever arising out of any breach of any obligation of a Builder with respect to the Equipment of such Builder or the manufacture, construction, delivery or warranty thereof, or with respect to any indemnity herein contained, nor subject to any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by a Builder. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Railroad against and only against the respective Builders.

The Railroad will (a) in connection with each settlement for the Equipment subsequent to such assignment, deliver to the assignee, at least five business days prior to the Clos-

ing Date for the Group fixed in the notice thereof given by the Railroad, all documents required by the terms of such assignment to be delivered to such assignee in connection with such settlement, in such number of counterparts or copies as may reasonably be requested, and (b) furnish to such assignee such number of counterparts of any other certificate or document required by the Vendor as may reasonably be requested.

If this Agreement shall have been assigned by the Builders and the assignee shall not make payment to a Builder with respect to units of the Equipment of such Builder as provided in the instrument making such assignment, such Builder will promptly notify the Railroad of such event and, if such amount shall not have been previously paid by such assignee, the Railroad will, not later than 60 days after the date such payment was due, pay or cause to be paid to such Builder the aggregate unpaid Purchase Price of such units of Equipment, together with interest from the day such payment was due to the date of payment by the Railroad at the highest prime rate of interest charged by any of the four New York City banks having the largest total assets in effect on the date such payment was due.

ARTICLE 16. Defaults. In the event that any one or more of the following events of default shall occur and be continuing, to wit:

(a) the Railroad shall fail to pay in full any indebtedness in respect of the Purchase Price of the Equipment or any other sum payable by the Railroad as provided in this Agreement within five days after payment thereof shall be due hereunder; or

(b) the Railroad shall, for more than 15 days after the Vendor shall have demanded in writing performance thereof, fail or refuse to comply with any covenant, agreement, term or provision of this Agreement, or of any agreement entered into concurrently herewith relating to the financing of the Equipment on its part to be kept or performed or to make provision satisfactory to the Vendor for such compliance; or

(c) a petition for reorganization under the Federal Bankruptcy Act or under any other provision of Title 11 of the United States Code, as now constituted or hereafter amended, shall be filed by or against the Railroad and, unless such petition shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only

so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been (and shall not continue to be) duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed in such proceedings in such manner that such obligations shall have the same status as expenses of administration and obligations incurred by such trustee or trustees, within 60 days after the filing of such petition, or in accordance with the provisions of 11 U.S.C. § 1168; or

(d) any proceeding shall be commenced by or against the Railroad for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustment of the obligations hereunder), and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been (and shall not continue to be) duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed for the Railroad or for its property in connection with any such proceedings in such manner that such obligations have the same status as expenses of administration and obligations incurred by such trustee or trustees or receiver or receivers, within 60 days after such proceedings shall have been commenced, or in accordance with the provisions of 11 U.S.C. § 1168; or

(e) the Railroad shall make or suffer any unauthorized assignment or transfer of this Agreement or any interest herein or any unauthorized transfer of the right to possession of any unit of the Equipment; or

(f) an event of default shall occur under the Other Agreement (defined in Item 4 of Schedule A hereto);

then at any time after the occurrence of such an event of default the Vendor may, upon written notice to the Railroad and upon compliance with any mandatory legal requirements then in force and applicable to such action by the Vendor,

declare (hereinafter called a "Declaration of Default") the entire indebtedness in respect of the Purchase Price of the Equipment, together with the interest thereon then accrued and unpaid, immediately due and payable, without further demand, and thereafter the aggregate of the unpaid balance of such indebtedness and interest shall bear interest from the date of such Declaration of Default at the rate per annum specified in Article 4 hereof as being applicable to amounts remaining unpaid after becoming due and payable, to the extent legally enforceable. The Vendor shall thereupon be entitled to recover judgment for the entire unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment so payable, with interest as aforesaid, and to collect such judgment out of any property of the Railroad wherever situated. The Railroad shall promptly notify the Vendor in writing of any event which has come to its attention which constitutes, or which with the giving of notice and/or lapse of time could constitute, an event of default under this Agreement and of what action, if any, the Railroad has taken or proposes to take to remedy such event of default or event.

The Vendor may at its election waive any such event of default and its consequences and rescind and annul any Declaration of Default by notice to the Railroad in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such event of default had occurred and no Declaration of Default had been made. Notwithstanding the provisions of this paragraph, it is expressly understood and agreed by the Railroad that time is of the essence of this Agreement and that no such waiver, rescission or annulment shall extend to or affect any other or subsequent default or impair any rights or remedies consequent thereon.

ARTICLE 17. Remedies. At any time during the continuance of a Declaration of Default, the Vendor may, subject to compliance with any mandatory legal requirements then in force and applicable to the action to be taken by the Vendor, take or cause to be taken by its agent or agents immediate possession of the Equipment, or one or more of the units thereof, without liability to return to the Railroad any sums theretofore paid and free from all claims whatsoever, except as hereinafter in this Article 17 expressly provided, and may remove the same from possession and use of the Railroad or

any other person and for such purpose may enter upon the Railroad's premises or any other premises where the Equipment may be located (without judicial process if this can be done without breach of the peace) and may use and employ in connection with such removal any supplies, services and aids and any available trackage and other facilities or means of the Railroad.

In case the Vendor shall demand possession of the Equipment pursuant to this Agreement and shall reasonably designate a point or points upon the premises of the Railroad for the delivery of the Equipment to the Vendor, the Railroad shall, at its own expense, forthwith and in the usual manner (including, but not by way of limitation, giving prompt telegraphic and written notice to the Association of American Railroads and all railroads to which any part of the Equipment has been interchanged to return the Equipment so interchanged), cause (a) the Equipment to be moved to such point or points on its lines as shall be designated by the Vendor and shall there deliver the Equipment or cause it to be delivered to the Vendor and (b) the Equipment to be moved to such interchange point or points of the Railroad as shall be designated by the Vendor upon any sale, lease or other disposal of all or any part of the Equipment by the Vendor. At the option of the Vendor, the Vendor may keep the Equipment on any of the lines or premises of the Railroad until the Vendor shall have leased, sold or otherwise disposed of the same, and for such purpose the Railroad agrees to furnish, without charge for rent, storage or insurance (which the Railroad agrees to maintain as herein provided), the necessary facilities at any point or points selected by the Vendor reasonably convenient to the Railroad, to provide proper maintenance for the Equipment during such storage and to permit inspection of the Equipment by the Vendor, the Vendor's representatives and prospective purchasers and users. This agreement to deliver the Equipment and furnish facilities as hereinbefore provided is of the essence of the agreement between the parties, and, upon application to any court of equity having jurisdiction in the premises, the Vendor shall be entitled to a decree against the Railroad requiring specific performance hereof. The Railroad hereby expressly waives any and all claims against the Vendor and its agent or agents for damages of whatever nature in connection with any retaking of any unit of the Equipment in any reasonable manner.

At any time during the continuance of a Declaration of Default, the Vendor (after retaking possession of the

Equipment as hereinbefore in this Article 17 provided) may at its election and upon such notice as is hereinafter set forth retain the Equipment in satisfaction of the entire indebtedness in respect of the Purchase Price of the Equipment and make such disposition thereof as the Vendor shall deem fit. Written notice of the Vendor's election to retain the Equipment shall be given to the Railroad by telegram or registered mail, addressed as provided in Article 21 hereof, and to any other persons to whom the law may require notice, within 30 days after such Declaration of Default. In the event that the Vendor should elect to retain the Equipment and no objection is made thereto within the 30-day period described in the second proviso below, all the Railroad's rights in the Equipment shall thereupon terminate and all payments made by the Railroad may be retained by the Vendor as compensation for the use of the Equipment by the Railroad; provided, however, that if the Railroad, before the expiration of the 30-day period described in the proviso below, should pay or cause to be paid to the Vendor the total unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement as well as expenses of the Vendor in retaking possession of, removing, maintaining and storing the Equipment and the Vendor's reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad; provided, further, that if the Railroad or any other person notified under the terms of this paragraph objects in writing to the Vendor within 30 days from the receipt of notice of the Vendor's election to retain the Equipment, then the Vendor may not so retain the Equipment, but shall sell, lease or otherwise dispose of it or continue to hold it pending sale, lease or other disposition as hereinafter provided or as may otherwise be permitted by law. If the Vendor shall have given no notice to retain as hereinabove provided or notice of intention to dispose of the Equipment in any other manner, it shall be deemed to have elected to sell the Equipment in accordance with the provisions of this Article 17.

At any time during the continuance of a Declaration of Default, the Vendor, with or without retaking possession thereof, at its election and upon reasonable notice to the Railroad and to any other persons to whom the law may require notice of the time and place, may sell the Equipment, or any unit thereof, free from any and all claims of the Railroad or any other party claiming from, through or under the Railroad,

at law or in equity, at public or private sale and with or without advertisement as the Vendor may determine; provided, however, that if, prior to such sale and prior to the making of a contract for such sale, the Railroad should tender full payment of the total unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement as well as expenses of the Vendor in retaking possession of, removing, storing, maintaining, holding and preparing the Equipment for, and otherwise arranging for, the sale and the Vendor's reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad. The proceeds of such sale, less the attorneys' fees and any other expenses incurred by the Vendor in retaking possession of, removing, storing, maintaining, holding, preparing for sale and selling the Equipment, shall be credited on the amount due to the Vendor under the provisions of this Agreement.

Any sale hereunder may be held or conducted at such place or places and at such time or times as the Vendor may specify, in one lot and as an entirety or in separate lots and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Vendor may determine. The Vendor or the Railroad may bid for and become the purchaser of the Equipment, or any unit thereof, so offered for sale. The Railroad shall be given written notice of such sale not less than 10 days prior thereto, by telegram or registered mail addressed to the Railroad as provided in Article 21 hereof. If such sale shall be a private sale (which shall be deemed to mean only a sale where an advertisement for bids has not been published in a newspaper of general circulation or a sale where less than 40 railroads have been solicited in writing to submit bids), it shall be subject to the right of the Railroad to purchase or provide a purchaser, within 10 days after notice of the proposed sale price, at the same price offered by the intending purchaser or a better price. In the event that the Vendor shall be the purchaser of the Equipment, it shall not be accountable to the Railroad (except to the extent of surplus money received as hereinafter provided in this Article 17), and in payment of the purchase price therefor the Vendor shall be entitled to have credited on account thereof all or any part of the sums due to the Vendor from the Railroad hereunder.

Each and every power and remedy hereby specifically given to the Vendor shall be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Vendor. All such powers and remedies shall be cumulative, and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Vendor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder shall impair any such power or remedy or shall be construed to be a waiver of any default or an acquiescence therein. Any extension of time for payment hereunder or other indulgence duly granted to the Railroad shall not otherwise alter or affect the Vendor's rights or the Railroad's obligations hereunder. The Vendor's acceptance of any payment after it shall have become due hereunder shall not be deemed to alter or affect the Railroad's obligations or the Vendor's rights hereunder with respect to any subsequent payments or default therein.

If, after applying all sums of money realized by the Vendor under the remedies herein provided, there shall remain any amount due to it under the provisions of this Agreement, the Railroad shall pay the amount of such deficiency to the Vendor upon demand, together with interest from the date of such demand to the date of payment by the Railroad at the rate per annum set forth in Article 4 hereof applicable to amounts remaining unpaid after becoming due and payable. If the Railroad shall fail to pay such deficiency, the Vendor may bring suit therefor and shall be entitled to recover a judgment therefor against the Railroad. If, after applying as aforesaid all sums realized by the Vendor, there shall remain a surplus in the possession of the Vendor, such surplus shall be paid to the Railroad.

The Railroad will pay all reasonable expenses, including attorneys' fees, incurred by the Vendor in enforcing its remedies under the terms of this Agreement. In the event that the Vendor shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Vendor may recover reasonable expenses, including attorneys' fees, and the amount thereof shall be included in such judgment.

The foregoing provisions of this Article 17 are subject in all respects to all mandatory legal requirements at the time in force and applicable thereto.

ARTICLE 18. Applicable State Laws. Any provision of this Agreement prohibited by any applicable law of any jurisdiction shall as to such jurisdiction be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby waived by the Railroad to the full extent permitted by law, it being the intention of the parties hereto that this Agreement shall be deemed to be a conditional sale and enforced as such.

Except as otherwise provided in this Agreement, the Railroad, to the full extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of or to sell or lease the Equipment or any unit thereof, and any other requirements as to the time, place and terms of the sale or lease thereof, any other requirements with respect to the enforcement of the Vendor's rights under this Agreement and any and all rights of redemption.

ARTICLE 19. Recording. The Railroad will cause this Agreement, any assignments hereof and any amendments or supplements hereto or thereto to be filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303; and the Railroad will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, deposit and record any and all further instruments required by law or reasonably requested by the Vendor for the purpose of proper protection, to the satisfaction of counsel for the Vendor, of its interest in the Equipment and its rights under this Agreement or for the purpose of carrying out the intention of this Agreement; and the Railroad will promptly furnish to the Vendor certificates or other evidence of such filing, registering, depositing and recording satisfactory to the Vendor.

ARTICLE 20. Payment of Expenses. The Railroad will pay all reasonable costs and expenses (other than the fees and expenses of counsel for the Builders) incident to this Agreement and the first assignment of this Agreement (including the fees and expenses of an agent, if the first assignee is an agent), and any instrument supplemental or related hereto or thereto, including all fees and expenses of Messrs. Cravath, Swaine & Moore, special counsel for the first assignee of this Agreement and for any party acquiring interests in such first assignment, and all reasonable costs

and expenses in connection with the transfer by any party of interests acquired in such first assignment, but excluding all fees and expenses of any other counsel for such parties.

ARTICLE 21. Notice. Any notice hereunder to any of the parties designated below shall be deemed to be properly served if delivered or mailed to it at its chief place of business at the following specified addresses:

(a) to the Railroad, at 210 North 13th Street, St. Louis, Missouri 63103, Attention of C. J. Maurer, Treasurer;

(b) to a Builder, at its address specified in Item 1 of Schedule A hereto; and

(c) to any assignee of the Vendor or of the Railroad, at such address as may have been furnished in writing to each of the other parties hereto by such assignee;

or at such other address as may have been furnished in writing by such party to the other parties to this Agreement.

ARTICLE 22. Article Headings; Effect and Modification of Agreement. All article headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

This Agreement, including the Schedules hereto, exclusively states the rights of the Vendor and the Railroad with respect to the Equipment and supersedes all other agreements, oral or written, with respect to the Equipment. No variation or modification of this Agreement and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Vendor and the Railroad.

ARTICLE 23. Law Governing. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the State of Missouri; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303 and such additional rights arising out of the filing, recording or deposit hereof, if any, and of any assignment hereof as shall be conferred by the laws of the several jurisdictions in which this Agreement

or any assignment hereof shall be filed, recorded or deposited, or in which any unit of the Equipment shall be located, and any rights arising out of the marking of the units of Equipment as provided in Article 7 hereof.

ARTICLE 24. Execution. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart. It shall not be necessary that any counterpart be signed by all the parties. Each Builder shall be bound hereunder notwithstanding the failure of any other Builder to execute and deliver this Agreement or to perform its obligations hereunder. Although this Agreement is dated, for convenience, as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by their officers or other persons, thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, all as of the date first above written.

MISSOURI PACIFIC RAILROAD COMPANY,

by

M. M. Hennelley
Vice President

[Corporate Seal]

Attest:

W. J. Herold
Assistant Secretary

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

by

P. K. Hoglund
Vice President

[Corporate Seal]

Attest:

W. J. Scott
Assistant Secretary

GENERAL ELECTRIC COMPANY,

by M. S. Richardson
General Manager-Locomotive Operations

[Corporate Seal]

Attest:

J. T. Hughes
Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by R. K. Smith
Vice President

[Corporate Seal]

Attest:

M. Hemphill, Jr.
Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by Walter A. Dahl
Vice President

[Corporate Seal]

Attest:

R. W. Polster
~~Assistant~~ Secretary

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this 11th day of April 1980, before me personally appeared M. M. Hennelley , to me personally known, who, being by me duly sworn, says that he is a Vice President of MISSOURI PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Joann Sanders
Notary Public

[Notarial Seal]

My Commission expires
9/10/82

Joann Sanders
Notary Public, State of Missiouri
My Commission Expires Sept. 10, 1982
City of St. Louis

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 8th day of April 1980, before me personally appeared P. K. Hoglund , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

T. K. Piorecki
Notary Public

[Notarial Seal]

My Commission expires

September 18, 1983

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this 9th day of April 1980, before me personally appeared M. S. Richardson , to me personally known, who, being by me duly sworn, says that he is a General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

Judy Crandall
Notary Public
Judy Crandall, Notary Public
Lawrence Park Twp., Erie County
Pennsylvania
My Commission Expires Jan. 16, 1984

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this 10thday of April 1980, before me personally appeared R. K. Smith , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

Evelyn S. Weeks
Notary Public
My Commission Expires
City of Bethlehem
Lehigh County
October 13, 1982

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this 14thday of April 1980, before me personally appeared W. A. Dahl , to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

L. W. Moffett
Notary Public

L.W. Moffett, Notary Public
City of Washington, District of Columbia
My Commission Expires October 14, 1982

My Commission expires

Oct. 14, 1982

SCHEDULE A

to

Conditional Sale Agreement
Dated as of March 1, 1980

Item 1: (a) General Motors Corporation (Electro-Motive Division), a Delaware corporation La Grange, Illinois 60525.

(b) General Electric Company, a New York corporation, 2901 East Lake Road, Erie Pennsylvania 16531.

(c) Bethlehem Steel Corporation, a Delaware corporation, Bethlehem, Pennsylvania 18016, attention of Manager of Railroad Products Sales.

(d) Fruit Growers Express Company, a Delaware corporation, 1101 Vermont Avenue, N.W., Washington, D.C. 20005, attention of the President.

Item 2: [Warranty of Materials and Workmanship] (a) General Motors Corporation (Electro-Motive Division) ("GM") warrants that its Equipment is of the kind and quality described in, or will be built in accordance with, the Specifications therefor referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and is suitable for the ordinary purposes for which such Equipment is used and warrants each unit of its Equipment to be free from defects in material and workmanship which may develop under normal use and service within two years from date of delivery of such unit or before such unit has been operated 250,000 miles, whichever event shall first occur. GM agrees to correct such defects, which examination shall disclose to its satisfaction to be defective, by repair or replacement F.O.B. factory and such correction shall constitute fulfillment of its obligation with respect to such defect under this warranty.

GM warrants specialties not of its own specification or design to the same extent that the suppliers of such specialties warrant such items to GM.

THERE ARE NO WARRANTIES WITH RESPECT TO MATE-

RIAL AND WORKMANSHIP, EXPRESSED OR IMPLIED, MADE BY GM EXCEPT THE WARRANTIES SET OUT ABOVE.

GM further agrees with the railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of the Equipment as provided in said Article 3 shall be deemed a waiver or modification by the Railroad of any of its rights under this Item 2(a).

(b) General Electric Company ("GE") warrants to the Railroad that each unit of Equipment manufactured by it hereunder will be free from defects in material, workmanship and title under normal use and service, and will be of the kind and quality designated or described in the Specifications referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement"). The foregoing warranty is exclusive and in lieu of all other warranties, whether written, oral, implied or statutory (except as to title). NO WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR PURPOSE SHALL APPLY. If it appears within two years from the date of shipment by GE, or within 250,000 miles of operation, whichever event shall first occur, that the Equipment delivered by GE under the Agreement does not meet the warranties specified above, and the Railroad notifies GE promptly, GE, after verification as to condition and usage, shall correct any defect including nonconformance with the Specifications, at its option, either by repairing any defective part or parts made available to GE, or by making available at GE's plant or warehouse a repaired or replacement part. If requested by GE, the Railroad will ship the defective part or parts, with shipping charges prepaid, to the plant or warehouse designated by GE. The foregoing shall constitute the sole remedy of the Railroad and the sole liability of GE in respect of the foregoing.

The liability of GE to the Railroad hereunder (except as to title) arising out of the supplying of any unit of its Equipment or its use, whether on warranty, contract or negligence, shall not in any case exceed the cost of correcting defects in its Equipment as herein provided, and upon the expira-

tion of the warranty period specified above, all such liability shall terminate. GE shall have no liability for any unit of its Equipment or part thereof which becomes defective by reason of improper storage or application, misuse, negligence, accident or improper operation, maintenance, repairs or alterations on the part of the Railroad, or any third party other than GE. In no event, whether as a result of breach of contract, warranty, tort (including negligence) or otherwise, shall GE or its suppliers be liable for any special, consequential, incidental or penal damages including, but not limited to, loss of profits or revenues, loss of the use of its Equipment or any associated equipment, damage to the associated equipment, cost of capital, cost of substitute products, facilities, services or replacements, downtime costs or claims of customers of the Railroad for such damages.

It is understood that GE has the right to make any changes in design and add improvements to equipment at any time without incurring any obligations to install, at GE's expense, the same on other equipment sold by GE.

THERE ARE NO WARRANTIES WITH RESPECT TO MATERIAL AND WORKMANSHIP, EXPRESSED OR IMPLIED, MADE BY GE EXCEPT THE WARRANTIES SET OUT ABOVE.

(c) Bethlehem Steel Corporation ("Bethlehem") warrants that its Equipment will be built in accordance with the Specifications and the standards and requirements set forth in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and warrants its Equipment will be free from defects in material (except as to specialties incorporated therein specified or supplied by the Railroad and not manufactured by Bethlehem) and workmanship under normal use and service, Bethlehem's obligation under this item 2(c) being limited to making good at its plant any part or parts of any unit of its Equipment which shall, within one year after the delivery of such unit to the Railroad, be returned to Bethlehem with transportation charges prepaid and which Bethlehem's examination shall disclose to its satisfaction to have been thus

defective.

The foregoing warranty of Bethlehem is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose, and Bethlehem neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment, except for the patent indemnification included in Item 3 of this Schedule A to the Agreement as aforesaid. It is further understood that in no event shall Bethlehem be liable for indirect or consequential damages of any kind.

Bethlehem further agrees with the Railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of its Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 2(c).

(d) Fruit Growers Express Company ("Fruit Growers") warrants that its Equiment will be built in accordance with the Specifications and the standards and requirements referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and warrants its Equipment will be free from defects in material (except as to specialties incorporated therein and workmanship with respect thereto specified by the Railroad and not manufactured by Fruit Growers) and workmanship under normal use and service. Fruit Growers' liability under this Item 3(d) is limited to repair or replacement at its plant of any part or parts of any unit of its Equipment which shall, within one year after the delivery of such unit of its Equipment to the Railroad (or, in the case of patent defects, within 10 days after delivery), be returned to Fruit Growers with transportation charges prepaid and which examination by Fruit Growers shall disclose to its satisfaction to have been thus defective. Any unit of its Equipment repaired, replaced or altered outside of Fruit Growers' plant, the repair, replacement or alteration of which in Fruit Growers' judgment has adversely affected in any way the strength

and performance of such unit of its Equipment, is removed from this warranty. In no event shall Fruit Growers be liable to anyone for any incidental, special or consequential damages of any kind. The foregoing waranty is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability of fitness for a particular purpose, and Fruit Growers neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment, except for the patent indemnification included in Item 3 of this Schedule A to the Agreement.

Fruit Growers further agrees with the Railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of its Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 3(d).

Item 3: [Patent Indemnities] GM, GE, Bethlehem and Fruit Growers each severally agrees as follows:

Except in cases of articles or materials specified by the Railroad and not manufactured by such Builder and in cases of designs, systems, processes, formulae or combinations specified by the Railroad and not developed or purported to be developed by such Builder, each Builder agrees to indemnify, protect and hold harmless the Railroad from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Railroad, its assigns or the users of the Equipment of such Builder because of the use in or about the construction or operation of any of such Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Railroad likewise will indemnify, protect and hold harmless the Vendor from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against

the Vendor because of the use in or about the construction or operation of any of the Equipment of any article or material specified by the Railroad and not manufactured by the Builder of such Equipment or of any design, system, process, formula or combination specified by the Railroad and not developed or purported to be developed by such Builder which infringes or is claimed to infringe on any patent or other rights. Each Builder agrees to and hereby does, to the extent legally possible without impairing any claim, right or cause of action hereinafter referred to, assign, set over and deliver to the Railroad every claim, right and cause of action which such Builder has or hereafter shall have against the seller or sellers of any designs, systems, processes, formulae, combination, articles or materials specified by the Railroad and purchased or otherwise acquired by such Builder for use in or about the construction or operation of any of the Equipment of such Builder on the ground that any such design, system, process, formula, combination, article or material or operation thereof infringes or is claimed to infringe on any patent or other right. Each Builder further agrees to execute and deliver to the Railroad or the users of the Equipment of such Builder all and every such further assurance as may be reasonably requested by the Railroad more fully to effectuate the assignment and delivery of every such claim, right and cause of action. Each Builder will give notice to the Railroad of any claim known to such Builder from which liability may be charged against the Railroad hereunder and the Railroad will give notice to such Builder of any claim known to the Railroad from which liability may be charged against the Builder hereunder. Such covenants of indemnity shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

Item 4: The Construction and Conditional Sale Agreement dated as of March 1, 1980, between the Railroad and the Agent (the "Other Agreement").

SCHEDULE B

Builder	Type	AAR Mechanical Designation	Builder's Specifications	Builder's Plant	Quantity	Unit Base Price	Total Base Price	Road Numbers (Inclusive)	Estimated Time of Delivery at Builder's Plant
General Motors Corporation (Electro-Motive Division)	SD-40-2 3,000 h.p. diesel electric loco-motives	CC	8087	McCook, Illinois	10	$698,237	$6,982,730	MP 3312-3321	April 1980
General Motors Corporation (Electro-Motive Division)	SD-40-2C 3,000 h.p. diesel electric loco-motives	CC	8087	McCook, Illinois	20	743,423	14,868,460	MP 6054-6073	April 1980
General Motors Corporation (Electro-Motive Division)	GP-38-2 2,000 h.p. diesel electric loco-motives	BB	8090	McCook, Illinois	5	582,233	2,911,165	MP 2198-2202	July 1980
General Electric Company	B-23-7 2,250 h.p. diesel electric loco-motives	BB	3530-D	Erie, Pa.	20	589,514	11,790,280	MP 4650-4669	April-June 1980

SCHEDULE B (Cont'd)

Builder	Type	AAR Mechanical Designation	Builder's Specifications	Builder's Plant	Quantity	Unit Base Price	Total Base Price	Road Numbers (Inclusive)	Estimated Time of Delivery at Builder's Plant
Bethlehem Steel Corporation	100-ton Open-top quad hopper cars	HT	DF 3400-520	Johns-town, Pa.	500	$41,109	$20,554,500	MP 582500-582999	May-July 1980
Fruit Growers Express Company	100-ton box cars	XP	S-467	Alexandria, Va.	28	76,400	2,139,200	MP 269431-269458	July 1980
					Total		$59,246,335		

EXHIBIT B

AGREEMENT AND ASSIGNMENT, dated as of March 1, 1980, between MERCANTILE TRUST COMPANY, N.A., acting as Agent under a Finance Agreement dated as of the date hereof (the "Finance Agreement") (said Agent, so acting, being hereinafter called the "Assignee"), and each of GENERAL MOTORS CORPORATION (Electro-Motive Division), GENERAL ELECTRIC COMPANY, BETHLEHEM STEEL CORPORATION and FRUIT GROWERS EXPRESS COMPANY (hereinafter called collectively the "Builders" or severally the "Builder").

The Builders and Missouri Pacific Railroad Company (the "Railroad") have entered into a Conditional Sale Agreement dated as of the date hereof (the "CSA") covering the construction, sale and delivery, on the conditions therein set forth, by the Builders, severally, and the purchase by the Railroad of the railroad equipment described in Schedule B to the CSA (said equipment being hereinafter called the "Equipment" and the Equipment constructed, sold and delivered by each Builder being hereinafter sometimes called "such Builder's Equipment" or "its Equipment").

NOW, THEREFORE, THIS AGREEMENT AND ASSIGNMENT WITNESSETH: That, in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration paid by the Assignee to each Builder, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained:

SECTION 1. Each Builder hereby assigns, transfers and sets over unto the Assignee, its successors and assigns:

(a) all the right, title and interest of such Builder in and to each unit of its Equipment when and as severally delivered to and accepted by the Railroad, subject to payment by the Assignee to such Builder of the amount required to be paid to such Builder under Section 4 hereof;

(b) all the right, title and interest of such Builder in and to the CSA (except the right to construct and deliver such Builder's Equipment and the right to receive the payments specified in the third paragraph

of Article 3 thereof, in subparagraph (a) of the fourth paragraph of Article 4 thereof, and in the last paragraph of Article 15 thereof and reimbursements for taxes paid or incurred by such Builder as provided in Article 5 thereof), and in and to any and all amounts which may be or become due or owing by the Railroad to such Builder under the CSA in respect of the Purchase Price (as defined in the CSA) of the Equipment and interest thereon, and in and to any other sums becoming due from the Railroad under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) hereof, all such Builder's rights, powers, privileges and remedies under the CSA;

without any recourse against such Builder for or on account of the failure of the Railroad to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify, the liability of such Builder to construct and deliver its Equipment in accordance with the CSA or with respect to its obligations contained or referred to in Article 14 of the CSA, or relieve the Railroad from its obligations to such Builder contained or referred to in Articles 2, 3, 4, 5, 13, 14 and 15 of the CSA, it being understood and agreed that, notwithstanding this Assignment, or any subsequent assignment pursuant to the provisions of Article 15 of the CSA all obligations of such Builder to the Railroad with respect to such Builder's Equipment shall be and remain enforceable by the Railroad, its successors and assigns, against and only against such Builder. In furtherance of the foregoing assignment and transfer, each Builder hereby authorizes and empowers the Assignee, in the Assignee's own name or in the name of the Assignee's nominee, or in the name of and as attorney hereby irrevocably constituted for such Builder, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Assignee is or may become entitled under this Assignment and to ask, demand, sue for and enforce compliance by the Railroad with the terms and agreements on its part to be performed under the CSA, but at the expense and liability and for the sole benefit of the Assignee.

SECTION 2. Each Builder agrees that it shall construct its Equipment in full accordance with the CSA and

will deliver the same upon completion to the Railroad in accordance with the provisions of the CSA; and that, notwithstanding this Assignment, it will perform and fully comply with each of and all the covenants and conditions of the CSA set forth to be performed and complied with by such Builder. Each Builder further agrees that it will warrant to the Assignee and the Railroad that at the time of delivery of each unit of the Equipment of such Builder under the CSA it had legal title to such unit and good and lawful right to sell such unit and that title to such unit was free of all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment); and each Builder further agrees that it will defend the title to each unit of its Equipment against the demands of all persons whomsoever based on claims originating prior to the delivery of such unit by such Builder under the CSA; all subject, however, to the provisions of the CSA and the rights of the Railroad thereunder. No Builder will deliver any of its Equipment to the Railroad under the CSA until the filings and recordations referred to in Article 19 of the CSA have been effected (the respective Builders and their counsel being entitled to rely on advice from special counsel for the Assignee that such filings and recordations have been effected).

SECTION 3. Each Builder agrees with the Assignee that in any suit, proceeding or action brought by the Assignee under the CSA for any installment of, or interest on, indebtedness in respect of the Purchase Price of its Equipment or to enforce any provision of the CSA, such Builder will indemnify, protect and hold harmless the Assignee from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever of the Railroad arising out of a breach by such Builder of any obligation with respect to the Equipment of such Builder or the manufacture, construction, delivery or warranty thereof, or by reason of any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by such Builder. Each Builder's obligation so to indemnify, protect and hold harmless the Assignee is conditional upon (a) the Assignee's timely motion or other appropriate action, on the basis of Article 15 of the CSA, to strike any defense, setoff, counterclaim or recoupment asserted by the Railroad in any such suit, proceeding or action and (b) if the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and accepts such defense, setoff, counterclaim or recoupment as a triable issue in such suit,

proceeding or action, the Assignee's prompt notification to such Builder of the asserted defense, setoff, counterclaim or recoupment and the Assignee's giving such Builder the right, at such Builder's expense, to compromise, settle or defend against such defense, setoff, counterclaim or recoupment.

Except in cases of articles or materials specified by the Railroad and not manufactured by such Builder and in cases of designs, systems, processes, formulae or combinations specified by the Railroad and not developed or purported to be developed by such Builder, each Builder agrees, except as otherwise specifically provided in the CSA, to indemnify, protect and hold harmless the Assignee from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Assignee or its assigns because of the use in or about the construction or operation of any of its Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Assignee will give prompt notice to the appropriate Builder of any such liability or claim actually known to the Assignee and will give such Builder the right, at such Builder's expense, to compromise, settle or defend against such claim. Each Builder agrees that any amounts payable to it by the Railroad with respect to its Equipment, whether pursuant to the CSA or otherwise, not hereby assigned to the Assignee, and amounts payable to the Builder pursuant to supplemental invoices shall not be secured by any lien, charge or security interest upon the Equipment of such Builder or any unit thereof.

SECTION 4. The Assignee, on each Closing Date fixed as provided in Article 4 of the CSA with respect to a Group (as defined in said Article 4) of the Equipment, shall pay to the Builder whose Equipment shall be included in such Group and to each Builder which shall submit a supplemental invoice for settlement on such Closing Date as contemplated in Article 4 of the CSA an amount equal to the portion of the Purchase Price of such Builder's Equipment as shown on the invoice therefor then being settled for which, under the terms of said Article 4, is payable in installments, provided that there shall have been delivered to the Assignee, as provided in Article 15 of the CSA, at least five business days (as defined in said Article 4) prior to such Closing Date, the following documents, in form and scope satisfactory to it and to its special counsel hereinafter mentioned, in

such number of counterparts as may be reasonably requested by said special counsel:

(a) a bill of sale from such Builder to the Assignee confirming the transfer to the Assignee of all right, title and interest of such Builder in such Builder's Equipment in such Group, warranting to the Assignee and to the Railroad that at the time of delivery of such units under the CSA such Builder had legal title to such units and good and lawful right to sell such units and that such units were free of all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment), and covenanting to defend the title to such units against the demands of all persons whomsoever based on claims originating prior to the delivery of such units by such Builder under the CSA;

(b) a Certificate or Certificates of Acceptance with respect to the units of such Builder's Equipment in such Group as contemplated by Article 3 of the CSA;

(c) an invoice of such Builder for the units of such Builder's Equipment in such Group and any supplemental invoice for which settlement is then being made, in each case accompanied by or having endorsed thereon a certification by the Railroad as to the correctness of the prices stated therein;

(d) an opinion of Messrs. Cravath, Swaine & Moore, who are acting as special counsel for the Assignee and the Investors named in the Finance Agreement, dated as of such Closing Date, to the effect that (i) the Finance Agreement, assuming due authorization, execution and delivery by such Investors, has been duly authorized, executed and delivered and is a legal, valid, binding and enforceable instrument, (ii) the CSA has been duly authorized, executed and delivered by the Railroad and such Builder and is a legal, valid and binding instrument, enforceable in accordance with its terms, (iii) this Assignment has been duly authorized, executed and delivered by such Builder and is a legal, valid, binding and enforceable instrument, (iv) the Assignee is vested with all the rights, titles, interests, powers and privileges purported to be assigned to it by this Assignment, (v) the Assignee has title to and a valid and perfected security interest in the units of the Equipment in such Group and such units, at the time of delivery thereof to the Rail-

road under the CSA, were free from all claims, liens, security interests and other encumbrances (other than those created by the CSA), (vi) no approval of the Interstate Commerce Commission or any other governmental authority is necessary for the valid execution and delivery of the Finance Agreement, the CSA, this Assignment or the Railroad's Consent hereto, (vii) the CSA and this Assignment have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 and no other filing or recordation is necessary for the protection of the rights of the Assignee in any state of the United States of America or in the District of Columbia and (viii) registration of the CSA, this Assignment or any certificates of interest delivered pursuant to the Finance Agreement is not required under the Securities Act of 1933, as amended, and qualification of an indenture with respect thereto is not required under the Trust Indenture Act of 1939, as amended; such opinion shall also state that said counsel have examined the opinions being delivered on such Closing Date pursuant to subparagraphs (e) and (f) of this Section 4, that such opinions are satisfactory in form and scope to said counsel and that said counsel believe that the Assignee and Investors are justified in relying thereon; and such opinion shall also cover such other matters including the applicability of 11 U.S.C. § 1168 to the Equipment and any substitutes thereof, as may reasonably be requested by the Assignee or any such Investor;

(e) an opinion of counsel for the Railroad, dated as of such Closing Date, to the effect set forth in clauses (i), (ii), (v), (vi) and (vii) of subparagraph (d) above (said counsel, in rendering such opinion, being permitted to assume due authorization, execution and delivery of the Finance Agreement and this Agreement by parties thereto other than the Railroad) and stating that (i) the Railroad is a duly organized and existing corporation in good standing under the laws of its jurisdiction of incorporation and has the full power and authority to own its properties and to carry on its business as conducted on the date thereof, (ii) this Assignment is a legal, valid, binding and enforceable instrument, and (iii) the execution and delivery by the Railroad of the CSA and the Finance Agreement do not violate any provision of any law, any order of any court or governmental agency, the charter or By-laws of the Railroad, or any indenture, agreement, or other instrument to which the Railroad is a party or by which it, or any of its property is bound, and will not be in conflict with, result in the breach of, or constitute, with due notice or lapse of time or both, a default under, any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Railroad.*

(f) an opinion of counsel for such Builder, dated as of such Closing Date, to the effect set forth in clause (iv) of subparagraph (d) above in respect of its Equipment insofar as such matters relate to such Builder and stating that (i) such Builder is a duly organized and existing corporation in good standing under the laws

* except that the interest or equity of the Railroad in or to the Equipment is subject to the Railroad's First Mortgage and General (Income) Mortgage, both dated January 1, 1955, both of which are subject to and subordinate to the CSA.

of its jurisdiction of incorporation and has the power and authority to own its properties and to carry on its business as conducted on the date thereof, (ii) the CSA has been duly authorized, executed and delivered by such Builder and, assuming due authorization, execution and delivery by the other parties thereto, is a legal and valid instrument binding upon such Builder and enforceable against such Builder in accordance with its terms, (iii) this Assignment has been duly authorized, executed and delivered by such Builder and, assuming due authorization, execution and delivery by the other parties thereto, is a legal, valid, binding and enforceable instrument binding upon such Builder and (iv) the bill of sale delivered by such Builder on such Closing Date is effective to confirm the transfer of the Builder's right, title and interest in the units of the Equipment in such Group to the Assignee and such units, at the time of delivery thereof to the Railroad under the CSA, were free from all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment);

(g) a certificate of the senior financial officer of the Railroad, dated as of such Closing Date, to the effect that (i) to the best of his knowledge and belief, no event of default, or event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default, shall have occurred and is then continuing, (ii) no Federal tax liens (including tax liens filed pursuant to Section 6323 of the Internal Revenue Code of 1954, as amended) and to the best of his knowledge and belief no other tax liens have been filed and are currently in effect which would adversely affect the security interest of the Assignee in the Equipment; and (iii) to the best of his knowledge and belief, the Railroad has not been in default as to principal and interest payments during the five years preceding the Closing Date;

(h) a receipt from such Builder for any payment (other than the payment being made by the Assignee pursuant to the first paragraph of this Section 4) required to be made on such Closing Date to such Builder with respect to the Equipment, unless such payment is made by the Assignee with funds furnished to it for that purpose by the Railroad;

provided, however, that with respect to Equipment for which

a Final Supplemental Invoice (as defined in the CSA) is submitted by any Builder as permitted by Article 4 of the CSA, the only documents which must be delivered to the Assignee are those required by subparagraphs (c) and (h) of this Section 4.

In giving the opinions specified in subparagraphs (d), (e) and (f) of the first paragraph of this Section 4, counsel may qualify any opinion to the effect that any agreement is a legal, valid and binding instrument enforceable in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally. In giving the opinion specified in said subparagraphs (d) and (e), counsel may rely on the opinion of counsel for such Builder as to authorization, execution and delivery by such Builder of the documents executed by such Builder and as to title to the Equipment of such Builder at the time of delivery thereof under the CSA; and in giving the opinion specified in said subparagraph (d), counsel may rely as to any matter governed by the law of any jurisdiction other than New York or the United States on the opinion of counsel for the Railroad as to such matter; and in giving the opinion specified in said subparagraph (e), counsel may rely on the bill of sale and opinion of counsel for such Builder as to claims, liens, security interests and other encumbrances arising from, through or under such Builder.

The obligation of the Assignee hereunder to make any payment provided for in this Section 4 is hereby expressly conditioned upon the Assignee's having on deposit, pursuant to the terms of the Finance Agreement, sufficient funds available thereunder to make such payment. The Assignee shall not be obligated to make payment at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 of the CSA or if an event of default, or any event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default, shall have occurred and be continuing under the CSA. In the event that the Assignee shall not make payment for any Group of the Equipment on any scheduled Closing Date as the same may from time to time be postponed, the Assignee shall be deemed to have reassigned to such Builder, without recourse to the Assignee, all right, title and interest of the Assignee in and to the units of the Equipment with respect to which payment has not been made by the Assignee, and at the request

of such Builder, confirm in writing such reassignment. In the event that the Assignee shall not make payment for any Final Supplemental Invoice on any scheduled Closing Date as the same may from time to time be postponed, the sole remedy of the Builder in respect thereof shall be an unsecured claim for the amount thereof against the Railroad and the payment thereof to the Builder shall not be secured by any lien, charge or security interest upon the Equipment of such Builder or any unit thereof.

SECTION 5. The Assignee may assign all or any of its rights under the CSA, including the right to receive any payments due or to become due to it from the Railroad thereunder. In the event of any such assignment any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

SECTION 6. Each Builder hereby severally:

(a) represents and warrants to the Assignee, its successors and assigns, that the CSA was duly authorized by it and lawfully executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by the Railroad, the CSA is, insofar as such Builder is concerned, a valid and existing agreement binding upon it and the Railroad in accordance with its terms and that it is now in force without amendment thereto;

(b) agrees that it will from time to time and at all times, at the request of the Assignee or its successors or assigns, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be; and

(c) agrees that, upon request of the Assignee and provided that the Assignee shall have made all payments which the Assignee is required by this Assignment to make to such Builder, its successors and assigns, it will execute any and all instruments which may be neces-

sary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of such Builder therein or in the Equipment of such Builder.

SECTION 7. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of Missouri; provided, however, that the parties shall be entitled to all the rights conferred as provided in Article 23 of the CSA.

SECTION 8. Although this Assignment is dated for convenience as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 9. This Assignment may be executed in any number of counterparts, all of which together shall constitute a single instrument. Each Builder shall be bound hereunder notwithstanding the failure of the other Builder to execute and deliver this Assignment or to perform its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

MERCANTILE TRUST COMPANY, N.A.,
As Agent,

by
Elden R. Stennberg
Vice President

[Corporate Seal]

Attest:

Victor Zarrilli
Assistant Secretary

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

by P. K. Hoglund
Vice President

[Corporate Seal]

Attest:

W. J. Scott
Assistant Secretary

GENERAL ELECTRIC COMPANY,

by M. S. Richardson
General Manager-Locomotive Operations

[Corporate Seal]

Attest:

J. T. Hughes
Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by R. K. Smith
Vice President

[Corporate Seal]

Attest:

M. Hemphill, Jr.
Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by Walter A. Dahl
Vice President

[Corporate Seal]

Attest:

R. W. Polster
~~Assistant~~ Secretary

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this 11thday of April 1980, before me personally appeared Elden R. Stennberg , to me personally known, who, being by me duly sworn, says that he is a Vice President of MERCANTILE TRUST COMPANY, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Dorothy Pusczek
Notary Public

[NOTARIAL SEAL] Dorothy Pusczek

My Commission expires
August 25, 1980

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 8th day of April 1980, before me personally appeared P. K. Hoglund , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (Electro-Motive Division), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

T. K. Piorecki
Notary Public

[Notarial Seal]

My Commission expires
September 18, 1983

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this 9th day of April 1980, before me personally appeared M. S. Richardson , to me personally known, who, being by me duly sworn, says that he is General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Judy Crandall
Notary Public
Judy Crandall, Notary Public
Lawrence Park Twp. Erie County, Penna.
My Commission Expires January 16, 1984

[Notarial Seal]

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this 10th day of April 1980, before me personally appeared R. K. Smith , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Evelyn S. Weeks
Notary Public
My Commission Expires
City of Bethlehem
Lehigh County
October 13, 1982

[Notarial Seal]

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this 14th day of April 1980, before me personally appeared W. A. Dahl, to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

L. W. Moffett

Notary Public

[Notarial Seal]

My Commission expires
October 14, 1982

L. W. Moffett, Notary Public
City of Washington, District of Columbia
My Commission Expires October 14, 1982

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

MISSOURI PACIFIC RAILROAD COMPANY hereby acknowledges due notice of and consents to the assignment made by the foregoing Agreement and Assignment as of March 1, 1980.

MISSOURI PACIFIC RAILROAD COMPANY,

by M. M. Hennelley
Vice President

[CS&M Ref. 2043-986]

AMENDMENT AGREEMENT NO. 3, dated as of July 31, 1980, among Missouri Pacific Railroad Company (the "Railroad"), General Motors Corporation (Electro-Motive Division), General Electric Company, Bethlehem Steel Corporation, Greenville Steel Car Company, and Fruit Growers Express Company (collectively called the "Builders" and individually called "GM", "GE", "Bethlehem", "Greenville" and "Fruit Growers", respectively), and Mercantile Trust Company, N.A. (the "Assignee").

WHEREAS the Railroad and the Builders (except Greenville) have entered into a Conditional Sale Agreement dated as of March 1, 1980 (the "Conditional Sale Agreement"), providing for the construction, sale and delivery of certain items of railroad rolling stock specified in Schedule B thereto (the "Equipment");

WHEREAS the Builders (except Greenville) and the Assignee have entered into an Agreement and Assignment dated as of March 1, 1980 (the "Assignment"), assigning to the Assignee the rights of such Builders under the Conditional Sale Agreement therein specified;

WHEREAS the Conditional Sale Agreement and the Assignment were filed and recorded with the Interstate

Commerce Commission pursuant to 49 U.S.C. § 11303 on April 14, 1980, at 2:25 p.m., and were assigned recordation number 11671;

WHEREAS the Conditional Sale Agreement and the Agreement and Assignment were amended by Amendment Agreement No. 1 dated as of April 1, 1980, among the Railroad, GE and the Assignee ("Amendment Agreement No. 1");

WHEREAS Amendment Agreement No. 1 was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 24, 1980, at 1:35 p.m., and was assigned recordation number 11671-A;

WHEREAS the Conditional Sale Agreement and the Agreement and Assignment were amended by Amendment Agreement No. 2 dated as of May 1, 1980, among the Railroad, Bethlehem and the Assignee ("Amendment Agreement No. 2");

WHEREAS Amendment Agreement No. 2 was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on May 15, 1980, at 3:50 p.m., and was assigned recordation number 11671-B;

WHEREAS the Railroad and the Builders desire to amend the Conditional Sale Agreement by excluding from the Equipment the units which were to be manufactured and sold by Fruit Growers, and to substitute therefor certain units of equipment to be manufactured and sold by Greenville and hav-

ing a useful life at least equal to the useful life of the excluded equipment, all as more specifically set forth below;

WHEREAS the Assignee and the Builders propose to amend the Assignment to reflect the amendments to the Conditional Sale Agreement herein referred to; and

WHEREAS this substitution of Equipment is authorized by the third paragraph of Paragraph 2 of the Finance Agreement without the consent of the Investors.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and of other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto hereby agree as follows:

1. The reference to "Fruit Growers Express Company" is hereby deleted from the first introductory paragraph of the Finance Agreement dated as of March 1, 1980, among the Railroad, the Assignee and the investors named in Schedule A thereto and "Greenville Steel Car Company" is hereby substituted therefor.

2. Schedule B of the Conditional Sale Agreement is hereby amended to delete the following units of Equipment:

Builder:	Fruit Growers Express Company
Type:	100-ton Boxcars

AAR Mechanical Designation:	XP
Builder's Specifications:	S-467
Builder's Plant:	Alexandria, Virginia
Quantity:	28
Unit Base Price:	$76,400
Total Base Price:	$2,139,200
Road Numbers or Serial Numbers (Inclusive):	MP269431-MP269458
Estimated Time of Delivery at Builder's Plant:	July 1980

3. The Conditional Sale Agreement, a counterpart of which is attached hereto and incorporated herein by reference, is hereby amended by (w) by deleting the last sentence of the first paragraph of Article 3 thereof, (x) deleting all references to Fruit Growers and substituting as a party thereto, Greenville, which shall be deemed included for all purposes as a "Builder" therein, (y) amending and restating Item 1(d) and Item 2(d) of Schedule A to the Conditional Sale Agreement as set forth in Schedule A attached hereto, and deleting "Fruit Growers" and substituting therefor "Greenville" in Item 3, and (z) adding to Schedule B to the Conditional Sale Agreement the information with respect to equipment to be built by Greenville, as set forth in Schedule B hereto.

4. The Assignment, a counterpart of which is

attached hereto and incorporated herein by reference, is hereby amended (x) by deleting all references to Fruit Growers and substituting as a party thereto, Greenville, which shall be deemed included for all purposes as a "Builder" therein, and (y) by adding after the word "hereof" in the third line of the introductory paragraph thereof the words "as amended by Amendment Agreement No. 1 dated as of April 1, 1980, Amendment Agreement No. 2 dated as of May 1, 1980, and Amendment Agreement No. 3 dated as of July 31, 1980".

5. The Assignee hereby consents to the foregoing amendments to the Conditional Sale Agreement and the Assignment and the addition of Greenville as a party to each thereof.

6. The Railroad will promptly cause this Amendment Agreement to be filed and recorded in accordance with the provisions of Article 19 of the Conditional Sale Agreement prior to the delivery of any Equipment by Greenville under the Conditional Sale Agreement.

7. Except as hereby or heretofore amended, the Conditional Sale Agreement and the Assignment shall remain unaltered and in full force and effect.

8. This Amendment Agreement shall be governed and construed in accordance with the laws of the State of Missouri; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

9. This Amendment Agreement may be executed in several counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party shall execute a counterpart thereof.

IN WITNESS WHEREOF, the parties hereto have caused their names to be signed hereto by their respective officers thereunto duly authorized, and their respective corporate seals, duly attested, to be hereunto affixed as of the day and year first above written.

MISSOURI PACIFIC RAILROAD COMPANY,

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

MERCANTILE TRUST COMPANY, N.A.,

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

GREENVILLE STEEL CAR COMPANY,

by

_____
Chairman of the Board

[Corporate Seal]

Attest:

_____
Assistant Secretary

GENERAL MOTORS CORPORATION
(Electro-Motive Division),

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

GENERAL ELECTRIC COMPANY,

by

_____
General Manager-
Locomotive Operations

[Corporate Seal]

Attest:

_____
Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by Walter a Dahl
_____
Vice President

[Corporate Seal]

Attest: T. W. Potts
_____

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of MISSOURI PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires:

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of MERCANTILE TRUST COMPANY, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation and that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires:

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF MERCER,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is Chairman of the Board of GREENVILLE STEEL CAR COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires:

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (Electro-Motive Division), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires:

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this 11TH day of August 1980, before me personally appeared Walter A. Dahl, to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

L. W. MOFFETT, Notary Public
City of Washington, District of Columbia
My Commission Expires October 14, 1982

[Notarial Seal]

My Commission expires Oct. 14, 1982

Schedule A

Item 1: (d) Greenville Steel Car Company, a Pennsylvania corporation, Union Street, Greenville, Pennsylvania 16125.

Item 2: [Warranty of materials and Workmanship] (d) Greenville Steel Car Company ("Greenville") warrants that its Equipment will be built in accordance with the Specifications and the standards and requirements set forth or referred to in Article 2 of this Agreement and warrants that its Equipment will be free from defects in material (except as to specialties incorporated therein specified by the Railroad and not manufactured by Greenville) and workmanship and design (except as to designs specified by the Railroad and not developed by Greenville) under normal use and service, Greenville's obligation under this Item 2(d) being limited to making good at its plant any part or parts of any unit of its Equipment which shall, within ~~two~~ one year or 50,000 miles, whichever occurs first, after the delivery of such units of its Equipment to the Railroad, be returned to Greenville with transportation charges prepaid and which examination by Greenville shall disclose to its satisfaction to have been thus defective. In no event shall Greenville be liable to anyone for any incidental, special or consequential damages of any kind. The foregoing warranty is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose, except for its obligations or liabilities under Articles 2, 3, 4 and 14 of the Agreement, and Item 3 below, and Greenville neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment.

Greenville agrees to use its best efforts to include, as a condition of its purchase order with the vendor of any specialty purchased by Greenville for incorporation in the Equipment manufactured by it, an agreement by such vendor to the effect that all warranty agreements and representations, if any, made by such vendor with respect to such specialty may be enforced by the

Railroad, in the Railroad's own name, by Greenville, in Greenville's own name, or by Greenville and the Railroad jointly; provided, however, that if any vendor does not accept such an agreement and Greenville so notifies the Railroad, Greenville shall have no obligation to the Railroad under this sentence if such an agreement is not contained in any such purchase order. Greenville further agrees that, whether or not such an agreement is contained in any such purchase order, the Railroad as well as Greenville may to the extent permitted by law take and prosecute claims against vendors of specialties purchased by Greenville for incorporation in the Equipment manufactured by Greenville for the breach of any warranty by the vendors with respect to such specialties. Greenville and the Railroad each agree to notify the other prior to the assertion of any claim by them against any such vendors of specialties. If Greenville determines that it has no interest in any such claim asserted by the Railroad, Greenville agrees to assign to the Railroad, solely for the purpose of making and prosecuting any such claim, all of the rights which Greenville has against such vendor for the breach of warranty or other representation respecting the Equipment manufactured by it. The word "specialties" as used herein shall be deemed to include articles, materials, systems, formulae and processes.

Greenville further agrees with the Railroad that neither the inspection as provided in Article 3 of this Agreement, nor any examination, nor the acceptance of any units of the Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 2(d).

Schedule B

Builder:	Greenville Steel Car Company
Type:	100-ton Wood Chip Hopper Cars
AAR Mechanical Designation:	HTS
Builder's Specifications:	H-6043B
Builder's Plant:	Greenville, Pennsylvania
Quantity:	35
Unit Base Price:	$58,300
Total Base Price:	$2,040,500
Road Numbers or Serial Numbers (Inclusive):	MP592950-MP592984
Estimated Time and Place of Delivery at Builder's Plant:	October ~~November~~ 1980--DECEMBER 1980 ~~January 1981~~

EXHIBIT A

[CS&M 2043-986]

CONDITIONAL SALE AGREEMENT

Dated as of March 1, 1980

Between each of

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

GENERAL ELECTRIC COMPANY,

BETHLEHEM STEEL CORPORATION

and

FRUIT GROWERS EXPRESS COMPANY

and

MISSOURI PACIFIC RAILROAD COMPANY

AGREEMENT AND ASSIGNMENT

Dated as of March 1, 1980

Between each of

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

GENERAL ELECTRIC COMPANY,

BETHLEHEM STEEL CORPORATION

and

FRUIT GROWERS EXPRESS COMPANY

and

MERCANTILE TRUST COMPANY, N.A.,
as Agent.

Filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 14, 1980, at 2:25 p.m., recordation number 11671, and conformed to reflect Amendment Agreements dated as of April 1, 1980, and May 1, 1980, respectively, filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 24, 1980, at 1:35p.m., recordation number 11671-A, and May 15, 1980, at 3:50 p.m., recordation number 11671-B, respectively.

CONDITIONAL SALE AGREEMENT

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CONDITIONAL SALE AGREEMENT dated as of March 1, 1980, between each of GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION), GENERAL ELECTRIC COMPANY, BETHLEHEM STEEL CORPORATION and FRUIT GROWERS EXPRESS COMPANY (collectively the "Builders" or severally the "Builder", or collectively or severally the "Vendor" as the context may require, all as more particularly set forth in Article 1 hereof), and MISSOURI PACIFIC RAILROAD COMPANY, a Delaware corporation (the "Railroad").

The Builders severally have agreed to construct, sell and deliver to the Railroad, and the Railroad has agreed to purchase, the equipment described in Schedule B hereto (the "Equipment").

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

ARTICLE 1. Certain Definitions. The term "Vendor", whenever used in this Agreement, means, before any assignment of any of their rights hereunder, the respective corporations named in Item I of Schedule A hereto and any successor or successors for the time being to their manufacturing properties and businesses, and, after any such assignment, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also any assignor as regards any rights hereunder that are retained or excluded from any assignment. The parties hereto contemplate that this Agreement shall be assigned to Mercantile Trust Company, N.A., acting as agent under a Finance Agreement dated as of the date hereof (said agent being hereinafter sometimes called the "Agent" and said Finance Agreement being hereinafter called the "Finance Agreement"). The term "Builder", whenever used in this Agreement, means, both before and after any such assignment, the respective corporations (as to the units of Equipment to be constructed by such corporation and sold hereunder) named in Item 1 of Schedule A hereto and any successor or successors for the time being to their respective manufacturing properties and businesses.

The rights and obligations of the Builders under this Agreement are several in accordance with their interests

and not joint. Accordingly, whenever this Agreement, by the use of such designation as "the Vendor", "such Builder" or other similar term, confers a right or imposes an obligation upon any corporation named in Item 1 of Schedule A hereto or its successor, such right or obligation shall be construed to accrue to or to be enforceable against only the specific corporation furnishing the units of Equipment giving rise to such right or obligation and its successors as herein provided.

ARTICLE 2. Construction and Sale. Pursuant to this Agreement, each Builder shall construct the units of the Equipment to be constructed by it as described in Schedule B hereto (such units of Equipment with respect to such Builder being hereinafter called "its Equipment") at its plant set forth in said Schedule B and will sell and deliver to the Railroad, and the Railroad will purchase from such Builder and accept delivery of and pay for (as hereinafter provided), such Equipment, each unit of which shall be constructed in accordance with the specifications set forth or referred to therefor in Schedule B hereto and in accordance with such modifications thereof as may be agreed upon in writing between such Builder and the Railroad (which specifications and modifications, if any, are hereinafter called the "Specifications"). The design, quality and component parts of each unit of the Equipment shall conform, on the date of completion of manufacture of each thereof, to all Department of Transportation and Interstate Commerce Commission requirements and specifications and to all standards recommended by the Association of American Railroads reasonably interpreted as being applicable to equipment of the character of such units of the Equipment and each unit of the Equipment will be new railroad equipment.

ARTICLE 3. Inspection and Delivery. Each Builder will deliver the units of its Equipment to the Railroad at the place or places specified in Schedule B hereto (or if said Schedule B does not specify a place or places, at the place or places designated from time to time by the Railroad), freight charges, if any, prepaid and for the account of the Railroad in accordance with the delivery schedule set forth in Schedule B hereto; provided, however, that no Builder shall have any obligation to deliver any unit of Equipment hereunder at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 hereof or if any event of default (as described in said Article 16), or event which with the lapse of time and/or demand could

constitute such an event of default, shall have occurred and be continuing. It is agreed between the Railroad and Fruit Growers Express Company that the obligation of Fruit Growers Express Company to construct the units of its Equipment is subject to its constructing the same type of equipment for Consolidated Rail Corporation.

Each Builder's obligation as to time of delivery is subject, however, to delays resulting from causes beyond such Builder's reasonable control, including but not limited to acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities, delays in receiving necessary materials or delays of carriers or subcontractors.

Notwithstanding the preceding provisions of this Article 3, any Equipment not delivered, accepted and settled for pursuant to Article 4 hereof on or before the Cut-Off Date (as defined in Article 4 hereof) shall be excluded herefrom. If any unit or units of Equipment shall be excluded from this Agreement pursuant to the preceding sentence, the Builder or Builders of such unit or units and the Railroad shall execute an agreement supplemental hereto limiting this Agreement to the units of Equipment not so excluded herefrom. If a Builder's failure to deliver Equipment so excluded from this Agreement resulted from one or more of the causes set forth in the immediately preceding paragraph, the Railroad shall nevertheless be obligated to accept such Equipment and pay the full purchase price therefor, determined as provided in this Agreement, if and when such Equipment shall be completed and delivered by such Builder, such payment to be in cash on the delivery of such Equipment, either directly or, in case the Railroad shall arrange therefor, by means of a conditional sale agreement, equipment trust or such other appropriate method of financing as the Railroad shall determine and as shall be reasonably acceptable to such Builder.

During construction, the Equipment shall be subject to inspection and approval by the authorized inspectors of the Railroad and each Builder shall grant to such authorized inspectors reasonable access to its plant. Each Builder agrees to inspect all materials used in the construction of

its Equipment in accordance with the standard quality control practices of such Builder. Upon completion of each unit or of a number of units of the Equipment, such unit or units shall be presented to an inspector of the Railroad for inspection at the place specified for delivery of such unit or units, and if each such unit conforms to the Specifications, requirements and standards applicable thereto, such inspector or an authorized representative of the Railroad shall execute and deliver to such Builder a certificate of acceptance (the "Certificate of Acceptance") stating that such unit or units have been inspected and accepted on behalf of the Railroad and are marked in accordance with Article 7 hereof; provided, however, that such Builder shall not thereby be relieved of its warranty referred to in Article 14 hereof.

On delivery to and acceptance by the Railroad of each such unit hereunder at the place specified for delivery, the Railroad will assume the responsibility and risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of such unit.

ARTICLE 4. Purchase Price and Payment. The base price or prices per unit of the Equipment are set forth in Schedule B hereto. Such base price or prices are subject to such increase or decrease as is agreed to by the Builder thereof and the Railroad. The term "Purchase Price" as used herein shall mean the base price or prices as so increased or decreased, including without limitation any increase pursuant to the presentation of a supplemental invoice as hereinafter provided, plus off-line freight charges, if any.

If the aggregate Purchase Price shall exceed $59,172,500, the Builder or Builders (and any assignee of the Builders) and the Railroad, unless waived by the Railroad, will enter into an agreement excluding from this Agreement such unit or units of Equipment then proposed to be settled for and specified by the Railroad, as will, after giving effect to such exclusion, reduce the aggregate Purchase Price of the Equipment under this Agreement to not more than $59,172,500, and the Railroad agrees to purchase any such unit or units so excluded from this Agreement from the Builder thereof for cash on the date such unit or units would otherwise have been settled for under this Agreement either directly, or by means of a conditional sale, equipment trust or other appropriate method of financing as the Railroad

shall determine and shall be reasonably acceptable to such Builder.

For the purpose of making settlement, the Equipment of each Builder shall be divided into such number of groups of units of the Equipment, delivered to and accepted by the Railroad (each such group being hereinafter called a "Group"), as such Builder and the Railroad may agree to.

The Railroad hereby acknowledges itself to be indebted to the Vendor in the amount of, and hereby promises to pay in cash to the Vendor at such place as the Vendor may designate, the Purchase Price of the Equipment, as follows:

(a) on each Closing Date (as hereinafter defined) an amount equal to (i) 20% of the Purchase Price of all units of the Equipment for which settlement is then being made, as stated in the invoice or invoices presented (including the supplemental invoice or invoices hereinafter provided for) in respect of such Closing Date (said invoiced prices being herein called the "Invoiced Purchase Prices") plus (ii) the amount, if any, by which the Invoiced Purchase Price of all units of the Equipment for which settlement has theretofore or is then being made, exceeds $47,338,000; and

(b) in 15 consecutive equal annual installments, as hereinafter provided, an amount equal to the aggregate of the Invoiced Purchase Prices for all the Equipment less the amount paid or payable with respect thereto pursuant to subparagraph (a) of this paragraph (the aggregate of said installments being hereinafter called the "CSA Indebtedness").

In the event that on any Closing Date the final Purchase Price of any Group has not been determined, the invoice presented may be for an estimated Purchase Price (as evidenced by the words "Interim Invoice" written on the face of such invoice), subject to adjustment upon determination of the final Purchase Price, and a supplemental invoice may be presented by the appropriate Builder at least 10 days prior to any subsequent Closing Date for settlement on such subsequent Closing Date for any increase in the Purchase Price. Any prior preliminary invoice or invoices presented by such Builder shall be in an amount not in excess of the final Purchase Price of such Group. One final supplemental invoice (the "Final Supplemental Invoice") may be presented

by a Builder after the last Closing Date on which a Certificate or Certificates of Acceptance is presented for the last Group of Equipment provided by such Builder; provided, however, that the Final Supplemental Invoice may only be presented on or prior to June 1, 1981 (the "Cut-Off Date"), and that the notation "Final Supplemental Invoice" shall appear on the face thereof.

The installments of the CSA Indebtedness payable pursuant to subparagraph (b) of the fourth paragraph of this Article 4 shall be payable annually on June 1 in each year commencing on June 1, 1981, to and including June 1, 1995, or, if any such date is not a business day, on the next succeeding business day. The unpaid portion of the CSA Indebtedness shall bear interest from the respective Closing Dates on which such indebtedness was incurred at a rate of 12-3/4% per annum from the Closing Date on which such indebtedness was incurred; provided, however, that interest on the investment of The Northern Trust Company (the "Interim Investor" as defined in the Finance Agreement) in the CSA Indebtedness incurred hereunder shall be payable for the period from the Closing Date or Dates with respect thereto until August 8, 1980, at a rate per annum equal to the rate of interest in effect from time to time during such period charged by the Interim Investor for prime commercial loans of 90-day maturities to its corporate borrowers of the highest credit rating (the "Prime Rate"), and after August 8, 1980, at the rate of 12-3/4% per annum. All such interest shall be payable, to the extent accrued, on June 1 and December 1 in each year, commencing December 1, 1980, or, if any such date is not a business day, on the next succeeding business day; provided, however, that interest payable pursuant to the proviso to the preceding sentence shall be payable on August 8, 1980.

The term "Closing Date" with respect to any Group of the Equipment shall mean such date (on or after April 8, 1980, and on or prior to the Cut-Off Date), not more than 10 business days following presentation by the Builder of the Equipment in such Group to the Railroad of the invoice and the Certificate or Certificates of Acceptance for such Group, as shall be fixed by the Railroad by written notice delivered to the Vendor at least 5 business days prior to the Closing Date designated therein; provided, however, that the aggregate of the Invoiced Purchase Prices of all Equipment settled for pursuant to this Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) on any Closing Date shall not exceed 125% of the amount then on deposit with the

Vendor pursuant to the Finance Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) under which the Vendor is acting as agent for the institutional investors therein named. The term "business days" as used herein means calendar days, excluding Saturdays, Sundays and any other day on which banking institutions in St. Louis, Missouri, or New York, New York, are authorized or obligated to remain closed.

All interest under this Agreement shall be calculated on the basis of a 360-day year of 12 30-day months.

The Railroad will pay, to the extent legally enforceable, interest at the rate of 13-3/4% per annum (or 1% per annum over the Prime Rate then in effect in the case of the Interim Investor) upon all amounts remaining unpaid after the same shall have become due and payable pursuant to the terms hereof, anything herein to the contrary notwithstanding.

All payments provided for in this Agreement shall be made in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. Except as provided in Article 8 hereof, the Railroad shall not have the privilege of prepaying any installment of its indebtedness hereunder prior to the date it becomes due.

In the event the Vendor, pursuant to Article 15 hereof, assigns the right to receive the payments herein provided to be made by the Railroad, the assignee thereof may request the Railroad to make and the Railroad shall make such payments to it at such address as shall be supplied to the Railroad by the assignee.

ARTICLE 5. Taxes. All payments to be made by the Railroad hereunder will be free of expense to the Vendor for collection or other charges and will be free of expense to the Vendor with respect to the amount of any local, state, Federal or foreign taxes (other than net income, gross receipts [except gross receipts taxes in the nature of or in lieu of sales or use taxes], excess profits and similar taxes) or license fees, assessments, charges, fines or penalties hereafter levied or imposed upon or in connection with or measured by, this Agreement or any sale, use, payment, shipment, delivery or transfer of title under the terms hereof (all such expenses, taxes, license fees, assessments, charges, fines and penalties being hereinafter called "impositions"), all of which impositions the Railroad assumes and

agrees to pay on demand. The Railroad will also pay promptly all impositions which may be imposed upon the Equipment delivered to it or for the use or operation thereof or upon the earnings arising therefrom or upon the Vendor solely by reason of its interest therein and will keep at all times all and every part of the Equipment free and clear of all impositions which might in any way affect the security interest of the Vendor or result in a lien upon any part of the Equipment; provided, however, that the Railroad shall be under no obligation to pay any impositions of any kind so long as it is contesting in good faith and by appropriate legal proceedings such impositions and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the interest or rights of the Vendor in or to the Equipment or otherwise under this Agreement. If any such impositions shall have been charged or levied against the Vendor directly and paid by the Vendor, the Railroad shall reimburse the Vendor upon presentation of an invoice therefor, and any amounts so paid by the Vendor shall be secured by and under this Agreement; provided, however, that the Railroad shall not be obligated to reimburse the Vendor for any impositions so paid unless the Vendor shall have been legally liable with respect thereto (as evidenced by an opinion of counsel for the Vendor) or unless the Railroad shall have approved the payment thereof.

ARTICLE 6. Title to the Equipment. The Vendor shall and hereby does retain title to and a security interest in the Equipment until the Railroad shall have made all its payments under this Agreement and shall have kept and performed all its agreements herein contained, notwithstanding the delivery of the Equipment to and the possession and use thereof by the Railroad as provided in this Agreement. Any and all additions to the Equipment and any and all replacements of the Equipment and of parts thereof and additions thereto shall constitute accessions to the Equipment and shall be subject to all the terms and conditions of this Agreement and included in the term "Equipment" as used in this Agreement.

Except as otherwise specifically provided in Article 8 hereof, when and only when the full indebtedness in respect of the Purchase Price of the Equipment, together with interest and all other payments as herein provided, shall have been paid by the Railroad, and all the Railroad's obligations herein contained shall have been performed by the Railroad, absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the

Railroad without further transfer or action on the part of the Vendor. However, the Vendor, if so requested by the Railroad at that time, will (a) execute a bill or bills of sale for the Equipment transferring and releasing its interest therein to the Railroad, or upon its order, free of all claims, liens, security interests and other encumbrances created or retained hereby and deliver such bill or bills of sale to the Railroad at its address referred to in Article 21 hereof, (b) execute and deliver at the same place, for filing, recording or depositing in all necessary public offices, such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the release of the security interest of the Vendor in the Equipment and (c) pay to the Railroad any money paid to the Vendor pursuant to Article 8 hereof and not theretofore applied as therein provided. The Railroad hereby waives and releases any and all rights, existing or that may be acquired, in or to the payment of any penalty, forfeit or damages for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file any certificate of payment in compliance with any law or statute requiring the filing of the same, except for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file such certificate within a reasonable time after written demand by the Railroad.

ARTICLE 7. Marking of the Equipment. The Railroad will cause each unit of the Equipment to be kept numbered with its identifying number as set forth in Schedule B hereto, or in the case of Equipment not there listed such identifying number as shall be set forth in any amendment or supplement hereto extending this Agreement to cover such Equipment, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each unit, in letters not less than one inch in height, the words "Ownership Subject to a Security Agreement Filed with the Interstate Commerce Commission", or the name of the Vendor followed by the words "Agent, Owner", or other appropriate markings approved by the Vendor with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Vendor's interest in the Equipment and its rights under this Agreement. The Railroad will not place any such unit in operation or exercise any control or dominion over the same until such markings have been made thereon and will replace promptly any such markings which may be removed, defaced or destroyed. The Railroad will not change the number of any unit of the Equipment except in accordance with

a statement of new number or numbers to be substituted therefor, which statement previously shall have been filed with the Vendor by the Railroad and filed, recorded and deposited by the Railroad in all public offices where this Agreement shall have been filed, recorded and deposited.

Except as provided in the immediately preceding paragraph, the Railroad will not allow the name of any person, association or corporation to be placed on any unit of the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Railroad may cause the Equipment to be lettered with the names or initials or other insignia of the Railroad or its affiliates.

ARTICLE 8. Casualty Occurrences; Insurance. In the event that any unit of the Equipment shall be worn out, lost, stolen, destroyed, irreparably damaged or otherwise rendered permanently unfit for use from any cause whatsoever, or taken or requisitioned by condemnation or otherwise or the Purchase Price (or any portion thereof) of any unit shall have been refunded by a Builder pursuant to such Builder's patent indemnities therefor as set forth in Item 3 of Schedule A hereto (such occurrences being hereinafter called "Casualty Occurrences"), the Railroad shall promptly and fully inform the Vendor in regard thereto (after it has knowledge of such Casualty Occurrence). When the aggregate Casualty Value (as defined herein and in the Other Agreement as defined in Item 4 of Schedule A hereto) of all units of the Equipment and all units of the railroad equipment covered by the Other Agreement having suffered a Casualty Occurrence (exclusive of units having suffered a Casualty Occurrence with respect to which a payment shall have been made to the Vendor pursuant to this Article 8 or Article 8 of the Other Agreement) hereunder shall exceed $250,000 (or such lesser amount as the Railroad may elect), the Railroad, within 30 days after it has knowledge of such event, shall promptly pay to the Vendor a sum equal to the aggregate Casualty Value of such units of the Equipment as of the date of such payment and shall file with the Vendor a certificate of an officer of the Railroad setting forth the Casualty Value of each unit of the Equipment suffering a Casualty Occurrence.

So long as no event of default shall have occurred and be continuing, any money paid to the Vendor pursuant to the preceding paragraph of this Article 8 shall be used, as the Railroad shall direct in a written instrument filed with the Vendor not less than 10 days prior to the due date of the

next annual installment of CSA Indebtedness, in whole or in part, to prepay installments of CSA Indebtedness or toward not more than 80% of the cost of a unit or units of new standard-gauge railroad equipment (other than passenger or work equipment of types other than locomotives), to replace units suffering a Casualty Occurrence and the Railroad shall pay the balance of such cost of replacement equipment, in addition to the Casualty Value payment provided above; provided, however, that the total fair value of all cabooses and locomotives which will be subject to this Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) will not exceed 6% and 59% respectively of all Equipment (and its cash equivalent) subject to this Agreement and the Other Agreement. In case any money is applied pursuant to this Article 8 to prepay indebtedness, it shall be so applied to reduce each installment of CSA Indebtedness thereafter falling due pro rata.

The Casualty Value of each unit of the Equipment (other than a replacement unit) shall be deemed to be that amount which bears the same ratio to the original Purchase Price thereof (less an amount which bears the same ratio to the aggregate of all payments made by the Railroad pursuant to subparagraph (a) of the fourth paragraph of Article 4 hereof as the original Purchase Price of such unit bears to the original aggregate Purchase Price of all the Equipment) as the unpaid CSA Indebtedness (without giving effect to any prepayments then or theretofore made pursuant to this Article 8) as of the date payment is made with respect to such Casualty Occurrence bears to the original CSA Indebtedness. The Casualty Value of each replacement unit shall be deemed to be that amount which bears the same ratio to the portion of the cost thereof paid by the Vendor as the unpaid CSA Indebtedness (without giving effect to any prepayments then or theretofore made pursuant to this Article 8) as of the date payment is made with respect to such Casualty Occurrence bears to the unpaid CSA Indebtedness (without giving effect to any such prepayments) as of the date of acquisition by the Vendor of such replacement unit.

The Railroad will cause any replacement unit or units to be marked as provided in Article 7 hereof. Any and all such replacements of Equipment shall constitute accessions to the Equipment and shall be subject to all appropriate terms and conditions of this Agreement as though part of the original Equipment delivered hereunder and shall be included in the term "Equipment" as used in this Agreement; provided, however, that nothing herein shall result in any

Builder having any liability or obligation pursuant to this Agreement with respect to any replacement unit or units not manufactured by it. Title to all such replacement units shall be free and clear of all liens and encumbrances except the liens permitted by the second paragraph of Article 12 hereof and shall be taken initially and shall remain in the name of the Vendor subject to the provisions hereof, and the Railroad shall execute, acknowledge, deliver, file, record or deposit all such documents and do any and all such acts as may be necessary to cause such replacement units to come under and be subject to this Agreement. All such replacement units shall be guaranteed and warranted in like manner as is customary at the time for similar equipment.

Whenever the Railroad shall file with the Vendor a written direction to apply amounts toward the cost of any replacement unit or units, the Railroad shall file therewith in addition to any settlement documents which may be required pursuant to the fifth paragraph of Article 15 hereof:

(1) a certificate of an appropriate officer of the Railroad certifying that such replacement unit is new standard-gauge railroad equipment (other than passenger or work equipment of types other than locomotives), has been marked as required by the provisions of this Article 8, the cost of such replacement equipment and compliance with the percentage limitations for cabooses and locomotives set forth in the second paragraph of this Article 8.

(2) an opinion of counsel for the Railroad that the Vendor has a valid and perfected security interest in such replacement unit, free and clear from all claims, liens, security interests and other encumbrances except the rights of the Railroad under this Agreement, and that such unit has come under and become subject to this Agreement and all necessary filings and recordings have been made to perfect the interests of the Vendor herein.

So long as no event of default shall have occurred and be continuing, any money paid to the Vendor pursuant to this Article 8 shall, if the Railroad shall in writing so direct, be invested, pending its application as hereinabove provided, in such of the following as may be specified in such written direction: (i) direct obligations of the United States of America or obligations for which the full faith and credit of the United States is pledged to provide for the payment of principal and interest, (ii) open market commercial paper rated A-1 by Standard & Poor's Corporation or prime-1

by NCO/Moody's Commercial Paper Division of Moody's Investors Service, Inc., or the successor of either of them, or (iii) certificates of deposit of domestic commercial banks in the United States of America having total capital and surplus in excess of $100,000,000, in each case maturing in not more than one year from the date of such investment (such investments being herein called "Investments"), but in no event shall any of such Investments be purchased at a premium. Any such obligations shall from time to time be sold and the proceeds reinvested in such Investments as the Railroad may in writing direct. Any interest received by the Vendor on any Investments shall be held by the Vendor and applied as hereinafter provided. Upon any sale or the maturity of any Investments, the proceeds thereof, plus any interest received by the Vendor thereon, up to the cost (including accrued interest) thereof, shall be held by the Vendor for application pursuant to this Article 8, and any excess shall be paid to the Railroad. If such proceeds (plus such interest) shall be less than such cost, the Railroad will promptly pay to the Vendor an amount equal to such deficiency. The Railroad will pay all expenses incurred by the Vendor in connection with the purchase and sale of Investments.

If any unit of the Equipment is removed for repairs other than running repairs or becomes unsuitable or not necessary for continued use by the Railroad in the Railroad's business or operations, such occurrence shall, upon the election of the Railroad evidenced by written notice to the Vendor, constitute a Casualty Occurrence subject to the provisions of this Article 8; provided, however, that the Railroad shall direct any money paid to the Vendor in respect thereof to be applied only toward not more than 80% of the cost of replacement equipment and not to prepay any installment of CSA Indebtedness.

If one or more events of default shall have occurred and be continuing, all money held by the Vendor pursuant to this Article 8 (including, for this purpose, Investments) shall be applied by the Vendor as if such money were money received upon the sale of Equipment pursuant to Article 17 hereof.

In order to facilitate the sale or other disposition of any Equipment suffering a Casualty Occurrence, the Vendor shall, upon request of the Railroad, after payment by the Railroad of a sum equal to the Casualty Value of such Equipment, execute and deliver to the Railroad or the Railroad's vendee, assignee or nominee, a bill of sale (without warranties) for such Equipment, and such other documents as

may be required to release such Equipment from the terms and scope of this Agreement, in such form as may be reasonably requested by the Railroad.

The Railroad will at all times prior to the payment of the full indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon and all other payments required hereby, at its own expense, cause to be carried and maintained insurance in respect of the Equipment at the time subject hereto in amounts and against risks customarily insured against by railroad companies of similar financial condition and having similar operations on similar equipment, and in any event in amounts and against risks comparable to those insured against by the Railroad on similar equipment owned by it.

ARTICLE 9. Maintenance; Compliance with Laws and Rules. The Railroad will at all times maintain the Equipment or cause the Equipment to be maintained in good order and repair at its own expense, normal wear and tear excepted, and eligible (in the case of Equipment other than locomotives and cabooses) for interchange in accordance with the interchange rules of the Association of American Railroads.

During the term of this Agreement, the Railroad will at all times comply in all respects with all laws of the jurisdictions in which its operations involving the Equipment may extend, with the interchange rules of the Association of American Railroads and with all lawful rules of the Department of Transportation, Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Equipment, to the extent that such laws and rules affect the title, operation or use of the Equipment, and in the event that such laws or rules require any alteration or replacement of or addition to any part on any unit of the Equipment, the Railroad will conform therewith, at its own expense; provided, however, that the Railroad may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor under this Agreement.

ARTICLE 10. Reports and Inspections. On or before April 1 in each year, commencing with the year 1981, the Railroad shall furnish to the Vendor an accurate statement signed by an officer of the Railroad (a) setting forth as at the preceding December 31 the amount, description and numbers of all units of the Equipment that have suffered a Casualty Occurrence during the preceding 12 months (or since the date of this Agreement in the case of the first such statement) or

that have been withdrawn from use pending repairs (other than running repairs) and such other information regarding the condition and state of repair of the Equipment as the Vendor may reasonably request and (b) stating that, in the case of all Equipment repaired or repainted during the period covered by such statement, the numbers and markings required by Article 7 hereof have been preserved or replaced. The Vendor shall have the right, by its agents, to inspect the Equipment and the Railroad's records with respect thereto at such reasonable times as the Vendor may reasonably request during the term of this Agreement.

ARTICLE 11. Possession and Use. The Railroad, so long as an event of default shall not have occurred under this Agreement and be continuing, shall be entitled to the possession of the units of Equipment and the use thereof upon the lines of railroad owned or operated by it either alone or jointly with others and whether under lease or otherwise, or upon the lines of railroad owned or operated by any railroad company controlled by, or under common control with, the Railroad, or over which it has trackage rights, or upon connecting and other carriers in the usual interchange of traffic or pursuant to run-through agreements, from and after delivery of such units of Equipment by the Builder of such units to the Railroad, but only upon and subject to all the terms and conditions of this Agreement; provided, however, that the Railroad shall not be entitled to assign the Equipment for service involving the regular operation and maintenance thereof outside of the United States of America except in normal interchange.

ARTICLE 12. Prohibition Against Liens. The Railroad will pay or discharge any and all sums claimed by any party from, through or under the Railroad or its successors or assigns which, if unpaid, might become a lien, charge or security interest on or in the Equipment, or any unit thereof, equal or superior to the Vendor's interest therein; provided, however, that the Railroad shall be under no obligation to pay or discharge any such claim so long as it is contesting in good faith and by appropriate legal proceedings such claim and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor in or to the Equipment or otherwise under this Agreement. Any amounts paid by the Vendor in discharge of liens, charges or security interests upon the Equipment shall be secured by and under this Agreement.

This covenant will not be deemed breached by reason of liens for taxes, assessments or governmental charges or levies, in each case not due and delinquent, or undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or other like liens arising in the ordinary course of business and, in each case, not delinquent.

ARTICLE 13. Railroad's Indemnities. The Railroad agrees to indemnify, protect and hold harmless the Vendor from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including counsel fees, arising out of retention by the Vendor of title to and a security interest in the Equipment, the use and operation thereof by the Railroad during the period when title remains in the Vendor or the transfer of title to the Equipment by the Vendor pursuant to any of the provisions of this Agreement. This covenant of indemnity shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

ARTICLE 14. Patent Indemnities; Each Builder's Warranty of Material and Workmanship. Each Builder's indemnities with respect to patent infringement, its warranty of material and workmanship and the limitations of its liability with regard thereto are set forth in Schedule A hereto.

ARTICLE 15. Assignments. The Railroad will not sell, assign, transfer or otherwise dispose of its rights under this Agreement or, except as provided in Article 11 hereof, transfer the right to possession of any unit of the Equipment without first obtaining the written consent of the Vendor, which consent will not be unreasonably withheld. A sale, assignment, transfer or disposition to a solvent, Class 1 railroad company organized under the laws of the United States of America or any of the states thereof which shall acquire all or substantially all the lines of railroad of the Railroad, and which, by execution of an appropriate instrument satisfactory to the Vendor, shall assume and agree to perform each of, and all, the obligations and covenants of the Railroad under this Agreement, shall not be deemed a breach of this covenant and thereupon, the successor railroad company shall be for all purposes the "Railroad" hereunder.

All or any of the rights, benefits and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Railroad, may be assigned by the Vendor and reassigned by any assignee at any time or from time to time. No such assignment shall subject any assignee to, or relieve any Builder from, any of the obligations of such Builder to construct and deliver the Equipment in accordance with this Agreement or to respond to its warranties and indemnities contained or

referred to in Article 14 hereof, or relieve the Railroad of any of its obligations to such Builder under Articles 2, 3, 4, 5, 13 and 14 hereof, Schedule A hereto and this Article 15 or of any other obligation which, according to its terms or context, is intended to survive an assignment.

Upon any such assignment either the assignor or the assignee shall give written notice to the Railroad, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all the assignor's right, title and interest in and to the Equipment and this Agreement, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Railroad of the notification of any such assignment, all payments thereafter to be made by the Railroad under this Agreement to the Vendor shall, to the extent so assigned, be made to the assignee in such manner as it may direct.

The Railroad recognizes that it is the custom of railroad equipment manufacturers to assign conditional sale agreements and understands that the assignment of this Agreement, or of some of or all the rights of the Vendor hereunder, is contemplated. The Railroad expressly represents, for the purpose of assurance to any person, firm or corporation considering the acquisition of this Agreement or of all or any of the rights of the Vendor hereunder and for the purposes of inducing such acquisition, that in the event of such assignment by the Vendor as hereinbefore provided, the rights of such assignee to the entire unpaid indebtedness in respect of the Purchase Price or such part thereof as may be assigned, together with interest thereon, as well as any other rights hereunder which may be so assigned, shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever arising out of any breach of any obligation of a Builder with respect to the Equipment of such Builder or the manufacture, construction, delivery or warranty thereof, or with respect to any indemnity herein contained, nor subject to any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by a Builder. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Railroad against and only against the respective Builders.

The Railroad will (a) in connection with each settlement for the Equipment subsequent to such assignment, deliver to the assignee, at least five business days prior to the Clos-

ing Date for the Group fixed in the notice thereof given by the Railroad, all documents required by the terms of such assignment to be delivered to such assignee in connection with such settlement, in such number of counterparts or copies as may reasonably be requested, and (b) furnish to such assignee such number of counterparts of any other certificate or document required by the Vendor as may reasonably be requested.

If this Agreement shall have been assigned by the Builders and the assignee shall not make payment to a Builder with respect to units of the Equipment of such Builder as provided in the instrument making such assignment, such Builder will promptly notify the Railroad of such event and, if such amount shall not have been previously paid by such assignee, the Railroad will, not later than 60 days after the date such payment was due, pay or cause to be paid to such Builder the aggregate unpaid Purchase Price of such units of Equipment, together with interest from the day such payment was due to the date of payment by the Railroad at the highest prime rate of interest charged by any of the four New York City banks having the largest total assets in effect on the date such payment was due.

ARTICLE 16. Defaults. In the event that any one or more of the following events of default shall occur and be continuing, to wit:

(a) the Railroad shall fail to pay in full any indebtedness in respect of the Purchase Price of the Equipment or any other sum payable by the Railroad as provided in this Agreement within five days after payment thereof shall be due hereunder; or

(b) the Railroad shall, for more than 15 days after the Vendor shall have demanded in writing performance thereof, fail or refuse to comply with any covenant, agreement, term or provision of this Agreement, or of any agreement entered into concurrently herewith relating to the financing of the Equipment on its part to be kept or performed or to make provision satisfactory to the Vendor for such compliance; or

(c) a petition for reorganization under the Federal Bankruptcy Act or under any other provision of Title 11 of the United States Code, as now constituted or hereafter amended, shall be filed by or against the Railroad and, unless such petition shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only

so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been (and shall not continue to be) duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed in such proceedings in such manner that such obligations shall have the same status as expenses of administration and obligations incurred by such trustee or trustees, within 60 days after the filing of such petition, or in accordance with the provisions of 11 U.S.C. § 1168; or

(d) any proceeding shall be commenced by or against the Railroad for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustment of the obligations hereunder), and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been (and shall not continue to be) duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed for the Railroad or for its property in connection with any such proceedings in such manner that such obligations have the same status as expenses of administration and obligations incurred by such trustee or trustees or receiver or receivers, within 60 days after such proceedings shall have been commenced, or in accordance with the provisions of 11 U.S.C. § 1168; or

(e) the Railroad shall make or suffer any unauthorized assignment or transfer of this Agreement or any interest herein or any unauthorized transfer of the right to possession of any unit of the Equipment; or

(f) an event of default shall occur under the Other Agreement (defined in Item 4 of Schedule A hereto);

then at any time after the occurrence of such an event of default the Vendor may, upon written notice to the Railroad and upon compliance with any mandatory legal requirements then in force and applicable to such action by the Vendor,

declare (hereinafter called a "Declaration of Default") the entire indebtedness in respect of the Purchase Price of the Equipment, together with the interest thereon then accrued and unpaid, immediately due and payable, without further demand, and thereafter the aggregate of the unpaid balance of such indebtedness and interest shall bear interest from the date of such Declaration of Default at the rate per annum specified in Article 4 hereof as being applicable to amounts remaining unpaid after becoming due and payable, to the extent legally enforceable. The Vendor shall thereupon be entitled to recover judgment for the entire unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment so payable, with interest as aforesaid, and to collect such judgment out of any property of the Railroad wherever situated. The Railroad shall promptly notify the Vendor in writing of any event which has come to its attention which constitutes, or which with the giving of notice and/or lapse of time could constitute, an event of default under this Agreement and of what action, if any, the Railroad has taken or proposes to take to remedy such event of default or event.

The Vendor may at its election waive any such event of default and its consequences and rescind and annul any Declaration of Default by notice to the Railroad in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such event of default had occurred and no Declaration of Default had been made. Notwithstanding the provisions of this paragraph, it is expressly understood and agreed by the Railroad that time is of the essence of this Agreement and that no such waiver, rescission or annulment shall extend to or affect any other or subsequent default or impair any rights or remedies consequent thereon.

ARTICLE 17. Remedies. At any time during the continuance of a Declaration of Default, the Vendor may, subject to compliance with any mandatory legal requirements then in force and applicable to the action to be taken by the Vendor, take or cause to be taken by its agent or agents immediate possession of the Equipment, or one or more of the units thereof, without liability to return to the Railroad any sums theretofore paid and free from all claims whatsoever, except as hereinafter in this Article 17 expressly provided, and may remove the same from possession and use of the Railroad or

any other person and for such purpose may enter upon the Railroad's premises or any other premises where the Equipment may be located (without judicial process if this can be done without breach of the peace) and may use and employ in connection with such removal any supplies, services and aids and any available trackage and other facilities or means of the Railroad.

In case the Vendor shall demand possession of the Equipment pursuant to this Agreement and shall reasonably designate a point or points upon the premises of the Railroad for the delivery of the Equipment to the Vendor, the Railroad shall, at its own expense, forthwith and in the usual manner (including, but not by way of limitation, giving prompt telegraphic and written notice to the Association of American Railroads and all railroads to which any part of the Equipment has been interchanged to return the Equipment so interchanged), cause (a) the Equipment to be moved to such point or points on its lines as shall be designated by the Vendor and shall there deliver the Equipment or cause it to be delivered to the Vendor and (b) the Equipment to be moved to such interchange point or points of the Railroad as shall be designated by the Vendor upon any sale, lease or other disposal of all or any part of the Equipment by the Vendor. At the option of the Vendor, the Vendor may keep the Equipment on any of the lines or premises of the Railroad until the Vendor shall have leased, sold or otherwise disposed of the same, and for such purpose the Railroad agrees to furnish, without charge for rent, storage or insurance (which the Railroad agrees to maintain as herein provided), the necessary facilities at any point or points selected by the Vendor reasonably convenient to the Railroad, to provide proper maintenance for the Equipment during such storage and to permit inspection of the Equipment by the Vendor, the Vendor's representatives and prospective purchasers and users. This agreement to deliver the Equipment and furnish facilities as hereinbefore provided is of the essence of the agreement between the parties, and, upon application to any court of equity having jurisdiction in the premises, the Vendor shall be entitled to a decree against the Railroad requiring specific performance hereof. The Railroad hereby expressly waives any and all claims against the Vendor and its agent or agents for damages of whatever nature in connection with any retaking of any unit of the Equipment in any reasonable manner.

At any time during the continuance of a Declaration of Default, the Vendor (after retaking possession of the

Equipment as hereinbefore in this Article 17 provided) may at its election and upon such notice as is hereinafter set forth retain the Equipment in satisfaction of the entire indebtedness in respect of the Purchase Price of the Equipment and make such disposition thereof as the Vendor shall deem fit. Written notice of the Vendor's election to retain the Equipment shall be given to the Railroad by telegram or registered mail, addressed as provided in Article 21 hereof, and to any other persons to whom the law may require notice, within 30 days after such Declaration of Default. In the event that the Vendor should elect to retain the Equipment and no objection is made thereto within the 30-day period described in the second proviso below, all the Railroad's rights in the Equipment shall thereupon terminate and all payments made by the Railroad may be retained by the Vendor as compensation for the use of the Equipment by the Railroad; provided, however, that if the Railroad, before the expiration of the 30-day period described in the proviso below, should pay or cause to be paid to the Vendor the total unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement as well as expenses of the Vendor in retaking possession of, removing, maintaining and storing the Equipment and the Vendor's reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad; provided, further, that if the Railroad or any other person notified under the terms of this paragraph objects in writing to the Vendor within 30 days from the receipt of notice of the Vendor's election to retain the Equipment, then the Vendor may not so retain the Equipment, but shall sell, lease or otherwise dispose of it or continue to hold it pending sale, lease or other disposition as hereinafter provided or as may otherwise be permitted by law. If the Vendor shall have given no notice to retain as hereinabove provided or notice of intention to dispose of the Equipment in any other manner, it shall be deemed to have elected to sell the Equipment in accordance with the provisions of this Article 17.

At any time during the continuance of a Declaration of Default, the Vendor, with or without retaking possession thereof, at its election and upon reasonable notice to the Railroad and to any other persons to whom the law may require notice of the time and place, may sell the Equipment, or any unit thereof, free from any and all claims of the Railroad or any other party claiming from, through or under the Railroad,

at law or in equity, at public or private sale and with or without advertisement as the Vendor may determine; provided, however, that if, prior to such sale and prior to the making of a contract for such sale, the Railroad should tender full payment of the total unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement as well as expenses of the Vendor in retaking possession of, removing, storing, maintaining, holding and preparing the Equipment for, and otherwise arranging for, the sale and the Vendor's reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad. The proceeds of such sale, less the attorneys' fees and any other expenses incurred by the Vendor in retaking possession of, removing, storing, maintaining, holding, preparing for sale and selling the Equipment, shall be credited on the amount due to the Vendor under the provisions of this Agreement.

Any sale hereunder may be held or conducted at such place or places and at such time or times as the Vendor may specify, in one lot and as an entirety or in separate lots and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Vendor may determine. The Vendor or the Railroad may bid for and become the purchaser of the Equipment, or any unit thereof, so offered for sale. The Railroad shall be given written notice of such sale not less than 10 days prior thereto, by telegram or registered mail addressed to the Railroad as provided in Article 21 hereof. If such sale shall be a private sale (which shall be deemed to mean only a sale where an advertisement for bids has not been published in a newspaper of general circulation or a sale where less than 40 railroads have been solicited in writing to submit bids), it shall be subject to the right of the Railroad to purchase or provide a purchaser, within 10 days after notice of the proposed sale price, at the same price offered by the intending purchaser or a better price. In the event that the Vendor shall be the purchaser of the Equipment, it shall not be accountable to the Railroad (except to the extent of surplus money received as hereinafter provided in this Article 17), and in payment of the purchase price therefor the Vendor shall be entitled to have credited on account thereof all or any part of the sums due to the Vendor from the Railroad hereunder.

Each and every power and remedy hereby specifically given to the Vendor shall be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Vendor. All such powers and remedies shall be cumulative, and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Vendor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder shall impair any such power or remedy or shall be construed to be a waiver of any default or an acquiescence therein. Any extension of time for payment hereunder or other indulgence duly granted to the Railroad shall not otherwise alter or affect the Vendor's rights or the Railroad's obligations hereunder. The Vendor's acceptance of any payment after it shall have become due hereunder shall not be deemed to alter or affect the Railroad's obligations or the Vendor's rights hereunder with respect to any subsequent payments or default therein.

If, after applying all sums of money realized by the Vendor under the remedies herein provided, there shall remain any amount due to it under the provisions of this Agreement, the Railroad shall pay the amount of such deficiency to the Vendor upon demand, together with interest from the date of such demand to the date of payment by the Railroad at the rate per annum set forth in Article 4 hereof applicable to amounts remaining unpaid after becoming due and payable. If the Railroad shall fail to pay such deficiency, the Vendor may bring suit therefor and shall be entitled to recover a judgment therefor against the Railroad. If, after applying as aforesaid all sums realized by the Vendor, there shall remain a surplus in the possession of the Vendor, such surplus shall be paid to the Railroad.

The Railroad will pay all reasonable expenses, including attorneys' fees, incurred by the Vendor in enforcing its remedies under the terms of this Agreement. In the event that the Vendor shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Vendor may recover reasonable expenses, including attorneys' fees, and the amount thereof shall be included in such judgment.

The foregoing provisions of this Article 17 are subject in all respects to all mandatory legal requirements at the time in force and applicable thereto.

ARTICLE 18. Applicable State Laws. Any provision of this Agreement prohibited by any applicable law of any jurisdiction shall as to such jurisdiction be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby waived by the Railroad to the full extent permitted by law, it being the intention of the parties hereto that this Agreement shall be deemed to be a conditional sale and enforced as such.

Except as otherwise provided in this Agreement, the Railroad, to the full extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of or to sell or lease the Equipment or any unit thereof, and any other requirements as to the time, place and terms of the sale or lease thereof, any other requirements with respect to the enforcement of the Vendor's rights under this Agreement and any and all rights of redemption.

ARTICLE 19. Recording. The Railroad will cause this Agreement, any assignments hereof and any amendments or supplements hereto or thereto to be filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303; and the Railroad will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, deposit and record any and all further instruments required by law or reasonably requested by the Vendor for the purpose of proper protection, to the satisfaction of counsel for the Vendor, of its interest in the Equipment and its rights under this Agreement or for the purpose of carrying out the intention of this Agreement; and the Railroad will promptly furnish to the Vendor certificates or other evidence of such filing, registering, depositing and recording satisfactory to the Vendor.

ARTICLE 20. Payment of Expenses. The Railroad will pay all reasonable costs and expenses (other than the fees and expenses of counsel for the Builders) incident to this Agreement and the first assignment of this Agreement (including the fees and expenses of an agent, if the first assignee is an agent), and any instrument supplemental or related hereto or thereto, including all fees and expenses of Messrs. Cravath, Swaine & Moore, special counsel for the first assignee of this Agreement and for any party acquiring interests in such first assignment, and all reasonable costs

and expenses in connection with the transfer by any party of interests acquired in such first assignment, but excluding all fees and expenses of any other counsel for such parties.

ARTICLE 21. Notice. Any notice hereunder to any of the parties designated below shall be deemed to be properly served if delivered or mailed to it at its chief place of business at the following specified addresses:

(a) to the Railroad, at 210 North 13th Street, St. Louis, Missouri 63103, Attention of C. J. Maurer, Treasurer;

(b) to a Builder, at its address specified in Item 1 of Schedule A hereto; and

(c) to any assignee of the Vendor or of the Railroad, at such address as may have been furnished in writing to each of the other parties hereto by such assignee;

or at such other address as may have been furnished in writing by such party to the other parties to this Agreement.

ARTICLE 22. Article Headings; Effect and Modification of Agreement. All article headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

This Agreement, including the Schedules hereto, exclusively states the rights of the Vendor and the Railroad with respect to the Equipment and supersedes all other agreements, oral or written, with respect to the Equipment. No variation or modification of this Agreement and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Vendor and the Railroad.

ARTICLE 23. Law Governing. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the State of Missouri; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303 and such additional rights arising out of the filing, recording or deposit hereof, if any, and of any assignment hereof as shall be conferred by the laws of the several jurisdictions in which this Agreement

or any assignment hereof shall be filed, recorded or deposited, or in which any unit of the Equipment shall be located, and any rights arising out of the marking of the units of Equipment as provided in Article 7 hereof.

ARTICLE 24. Execution. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart. It shall not be necessary that any counterpart be signed by all the parties. Each Builder shall be bound hereunder notwithstanding the failure of any other Builder to execute and deliver this Agreement or to perform its obligations hereunder. Although this Agreement is dated, for convenience, as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by their officers or other persons, thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, all as of the date first above written.

MISSOURI PACIFIC RAILROAD COMPANY,

by

M. M. Hennelley
Vice President

[Corporate Seal]

Attest:

W. J. Herold
Assistant Secretary

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

by

P. K. Hoglund
Vice President

[Corporate Seal]

Attest:

W. J. Scott
Assistant Secretary

GENERAL ELECTRIC COMPANY,

by M. S. Richardson
General Manager-Locomotive Operations

[Corporate Seal]

Attest:

J. T. Hughes
Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by R. K. Smith
Vice President

[Corporate Seal]

Attest:

M. Hemphill, Jr.
Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by Walter A. Dahl
Vice President

[Corporate Seal]

Attest:

R. W. Polster
~~Assistant~~ Secretary

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this 11th day of April 1980, before me personally appeared M. M. Hennelley , to me personally known, who, being by me duly sworn, says that he is a Vice President of MISSOURI PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Joann Sanders
Notary Public

[Notarial Seal]

My Commission expires
9/10/82

Joann Sanders
Notary Public, State of Missiouri
My Commission Expires Sept. 10, 1982
City of St. Louis

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 8th day of April 1980, before me personally appeared P. K. Hoglund , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

T. K. Piorecki
Notary Public

[Notarial Seal]

My Commission expires

September 18, 1983

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this 9th day of April 1980, before me personally appeared M. S. Richardson , to me personally known, who, being by me duly sworn, says that he is a General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

Judy Crandall
Notary Public
Judy Crandall, Notary Public
Lawrence Park Twp., Erie County
Pennsylvania
My Commission Expires Jan. 16, 1984

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this 10thday of April 1980, before me personally appeared R. K. Smith , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

Evelyn S. Weeks
Notary Public
My Commission Expires
City of Bethlehem
Lehigh County
October 13, 1982

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this 14thday of April 1980, before me personally appeared W. A. Dahl , to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

L. W. Moffett
Notary Public

My Commission expires

Oct. 14, 1982

L.W. Moffett, Notary Public
City of Washington, District of Columbia
My Commission Expires October 14, 1982

SCHEDULE A

to

Conditional Sale Agreement
Dated as of March 1, 1980

Item 1: (a) General Motors Corporation (Electro-Motive Division), a Delaware corporation La Grange, Illinois 60525.

(b) General Electric Company, a New York corporation, 2901 East Lake Road, Erie Pennsylvania 16531.

(c) Bethlehem Steel Corporation, a Delaware corporation, Bethlehem, Pennsylvania 18016, attention of Manager of Railroad Products Sales.

(d) Fruit Growers Express Company, a Delaware corporation, 1101 Vermont Avenue, N.W., Washington, D.C. 20005, attention of the President.

Item 2: [Warranty of Materials and Workmanship] (a) General Motors Corporation (Electro-Motive Division) ("GM") warrants that its Equipment is of the kind and quality described in, or will be built in accordance with, the Specifications therefor referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and is suitable for the ordinary purposes for which such Equipment is used and warrants each unit of its Equipment to be free from defects in material and workmanship which may develop under normal use and service within two years from date of delivery of such unit or before such unit has been operated 250,000 miles, whichever event shall first occur. GM agrees to correct such defects, which examination shall disclose to its satisfaction to be defective, by repair or replacement F.O.B. factory and such correction shall constitute fulfillment of its obligation with respect to such defect under this warranty.

GM warrants specialties not of its own specification or design to the same extent that the suppliers of such specialties warrant such items to GM.

THERE ARE NO WARRANTIES WITH RESPECT TO MATE-

RIAL AND WORKMANSHIP, EXPRESSED OR IMPLIED, MADE BY GM EXCEPT THE WARRANTIES SET OUT ABOVE.

GM further agrees with the railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of the Equipment as provided in said Article 3 shall be deemed a waiver or modification by the Railroad of any of its rights under this Item 2(a).

(b) General Electric Company ("GE") warrants to the Railroad that each unit of Equipment manufactured by it hereunder will be free from defects in material, workmanship and title under normal use and service, and will be of the kind and quality designated or described in the Specifications referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement"). The foregoing warranty is exclusive and in lieu of all other warranties, whether written, oral, implied or statutory (except as to title). NO WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR PURPOSE SHALL APPLY. If it appears within two years from the date of shipment by GE, or within 250,000 miles of operation, whichever event shall first occur, that the Equipment delivered by GE under the Agreement does not meet the warranties specified above, and the Railroad notifies GE promptly, GE, after verification as to condition and usage, shall correct any defect including nonconformance with the Specifications, at its option, either by repairing any defective part or parts made available to GE, or by making available at GE's plant or warehouse a repaired or replacement part. If requested by GE, the Railroad will ship the defective part or parts, with shipping charges prepaid, to the plant or warehouse designated by GE. The foregoing shall constitute the sole remedy of the Railroad and the sole liability of GE in respect of the foregoing.

The liability of GE to the Railroad hereunder (except as to title) arising out of the supplying of any unit of its Equipment or its use, whether on warranty, contract or negligence, shall not in any case exceed the cost of correcting defects in its Equipment as herein provided, and upon the expira-

tion of the warranty period specified above, all such liability shall terminate. GE shall have no liability for any unit of its Equipment or part thereof which becomes defective by reason of improper storage or application, misuse, negligence, accident or improper operation, maintenance, repairs or alterations on the part of the Railroad, or any third party other than GE. In no event, whether as a result of breach of contract, warranty, tort (including negligence) or otherwise, shall GE or its suppliers be liable for any special, consequential, incidental or penal damages including, but not limited to, loss of profits or revenues, loss of the use of its Equipment or any associated equipment, damage to the associated equipment, cost of capital, cost of substitute products, facilities, services or replacements, downtime costs or claims of customers of the Railroad for such damages.

It is understood that GE has the right to make any changes in design and add improvements to equipment at any time without incurring any obligations to install, at GE's expense, the same on other equipment sold by GE.

THERE ARE NO WARRANTIES WITH RESPECT TO MATERIAL AND WORKMANSHIP, EXPRESSED OR IMPLIED, MADE BY GE EXCEPT THE WARRANTIES SET OUT ABOVE.

(c) Bethlehem Steel Corporation ("Bethlehem") warrants that its Equipment will be built in accordance with the Specifications and the standards and requirements set forth in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and warrants its Equipment will be free from defects in material (except as to specialties incorporated therein specified or supplied by the Railroad and not manufactured by Bethlehem) and workmanship under normal use and service, Bethlehem's obligation under this item 2(c) being limited to making good at its plant any part or parts of any unit of its Equipment which shall, within one year after the delivery of such unit to the Railroad, be returned to Bethlehem with transportation charges prepaid and which Bethlehem's examination shall disclose to its satisfaction to have been thus

defective.

The foregoing warranty of Bethlehem is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose, and Bethlehem neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment, except for the patent indemnification included in Item 3 of this Schedule A to the Agreement as aforesaid. It is further understood that in no event shall Bethlehem be liable for indirect or consequential damages of any kind.

Bethlehem further agrees with the Railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of its Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 2(c).

(d) Fruit Growers Express Company ("Fruit Growers") warrants that its Equiment will be built in accordance with the Specifications and the standards and requirements referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and warrants its Equipment will be free from defects in material (except as to specialties incorporated therein and workmanship with respect thereto specified by the Railroad and not manufactured by Fruit Growers) and workmanship under normal use and service. Fruit Growers' liability under this Item 3(d) is limited to repair or replacement at its plant of any part or parts of any unit of its Equipment which shall, within one year after the delivery of such unit of its Equipment to the Railroad (or, in the case of patent defects, within 10 days after delivery), be returned to Fruit Growers with transportation charges prepaid and which examination by Fruit Growers shall disclose to its satisfaction to have been thus defective. Any unit of its Equipment repaired, replaced or altered outside of Fruit Growers' plant, the repair, replacement or alteration of which in Fruit Growers' judgment has adversely affected in any way the strength

and performance of such unit of its Equipment, is removed from this warranty. In no event shall Fruit Growers be liable to anyone for any incidental, special or consequential damages of any kind. The foregoing waranty is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability of fitness for a particular purpose, and Fruit Growers neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment, except for the patent indemnification included in Item 3 of this Schedule A to the Agreement.

Fruit Growers further agrees with the Railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of its Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 3(d).

Item 3: [Patent Indemnities] GM, GE, Bethlehem and Fruit Growers each severally agrees as follows:

Except in cases of articles or materials specified by the Railroad and not manufactured by such Builder and in cases of designs, systems, processes, formulae or combinations specified by the Railroad and not developed or purported to be developed by such Builder, each Builder agrees to indemnify, protect and hold harmless the Railroad from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Railroad, its assigns or the users of the Equipment of such Builder because of the use in or about the construction or operation of any of such Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Railroad likewise will indemnify, protect and hold harmless the Vendor from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against

the Vendor because of the use in or about the construction or operation of any of the Equipment of any article or material specified by the Railroad and not manufactured by the Builder of such Equipment or of any design, system, process, formula or combination specified by the Railroad and not developed or purported to be developed by such Builder which infringes or is claimed to infringe on any patent or other rights. Each Builder agrees to and hereby does, to the extent legally possible without impairing any claim, right or cause of action hereinafter referred to, assign, set over and deliver to the Railroad every claim, right and cause of action which such Builder has or hereafter shall have against the seller or sellers of any designs, systems, processes, formulae, combination, articles or materials specified by the Railroad and purchased or otherwise acquired by such Builder for use in or about the construction or operation of any of the Equipment of such Builder on the ground that any such design, system, process, formula, combination, article or material or operation thereof infringes or is claimed to infringe on any patent or other right. Each Builder further agrees to execute and deliver to the Railroad or the users of the Equipment of such Builder all and every such further assurance as may be reasonably requested by the Railroad more fully to effectuate the assignment and delivery of every such claim, right and cause of action. Each Builder will give notice to the Railroad of any claim known to such Builder from which liability may be charged against the Railroad hereunder and the Railroad will give notice to such Builder of any claim known to the Railroad from which liability may be charged against the Builder hereunder. Such covenants of indemnity shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

Item 4: The Construction and Conditional Sale Agreement dated as of March 1, 1980, between the Railroad and the Agent (the "Other Agreement").

SCHEDULE B

Builder	Type	AAR Mechanical Designation	Builder's Specifications	Builder's Plant	Quantity	Unit Base Price	Total Base Price	Road Numbers (Inclusive)	Estimated Time of Delivery at Builder's Plant
General Motors Corporation (Electro-Motive Division)	SD-40-2 3,000 h.p. diesel electric loco-motives	CC	8087	McCook, Illinois	10	$698,237	$6,982,730	MP 3312-3321	April 1980
General Motors Corporation (Electro-Motive Division)	SD-40-2C 3,000 h.p. diesel electric loco-motives	CC	8087	McCook, Illinois	20	743,423	14,868,460	MP 6054-6073	April 1980
General Motors Corporation (Electro-Motive Division)	GP-38-2 2,000 h.p. diesel electric loco-motives	BB	8090	McCook, Illinois	5	582,233	2,911,165	MP 2198-2202	July 1980
General Electric Company	B-23-7 2,250 h.p. diesel electric loco-motives	BB	3530-D	Erie, Pa.	20	589,514	11,790,280	MP 4650-4669	April-June 1980

SCHEDULE B (Cont'd)

Builder	Type	AAR Mechanical Designation	Builder's Specifications	Builder's Plant	Quantity	Unit Base Price	Total Base Price	Road Numbers (Inclusive)	Estimated Time of Delivery at Builder's Plant
Bethlehem Steel Corporation	100-ton Open-top quad hopper cars	HT	DF 3400-520	Johns-town, Pa.	500	$41,109	$20,554,500	MP 582500-582999	May-July 1980
Fruit Growers Express Company	100-ton box cars	XP	S-467	Alexandria, Va.	28	76,400	2,139,200	MP 269431-269458	July 1980
					Total		$59,246,335		

EXHIBIT B

AGREEMENT AND ASSIGNMENT, dated as of March 1, 1980, between MERCANTILE TRUST COMPANY, N.A., acting as Agent under a Finance Agreement dated as of the date hereof (the "Finance Agreement") (said Agent, so acting, being hereinafter called the "Assignee"), and each of GENERAL MOTORS CORPORATION (Electro-Motive Division), GENERAL ELECTRIC COMPANY, BETHLEHEM STEEL CORPORATION and FRUIT GROWERS EXPRESS COMPANY (hereinafter called collectively the "Builders" or severally the "Builder").

The Builders and Missouri Pacific Railroad Company (the "Railroad") have entered into a Conditional Sale Agreement dated as of the date hereof (the "CSA") covering the construction, sale and delivery, on the conditions therein set forth, by the Builders, severally, and the purchase by the Railroad of the railroad equipment described in Schedule B to the CSA (said equipment being hereinafter called the "Equipment" and the Equipment constructed, sold and delivered by each Builder being hereinafter sometimes called "such Builder's Equipment" or "its Equipment").

NOW, THEREFORE, THIS AGREEMENT AND ASSIGNMENT WITNESSETH: That, in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration paid by the Assignee to each Builder, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained:

SECTION 1. Each Builder hereby assigns, transfers and sets over unto the Assignee, its successors and assigns:

(a) all the right, title and interest of such Builder in and to each unit of its Equipment when and as severally delivered to and accepted by the Railroad, subject to payment by the Assignee to such Builder of the amount required to be paid to such Builder under Section 4 hereof;

(b) all the right, title and interest of such Builder in and to the CSA (except the right to construct and deliver such Builder's Equipment and the right to receive the payments specified in the third paragraph

of Article 3 thereof, in subparagraph (a) of the fourth paragraph of Article 4 thereof, and in the last paragraph of Article 15 thereof and reimbursements for taxes paid or incurred by such Builder as provided in Article 5 thereof), and in and to any and all amounts which may be or become due or owing by the Railroad to such Builder under the CSA in respect of the Purchase Price (as defined in the CSA) of the Equipment and interest thereon, and in and to any other sums becoming due from the Railroad under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) hereof, all such Builder's rights, powers, privileges and remedies under the CSA;

without any recourse against such Builder for or on account of the failure of the Railroad to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify, the liability of such Builder to construct and deliver its Equipment in accordance with the CSA or with respect to its obligations contained or referred to in Article 14 of the CSA, or relieve the Railroad from its obligations to such Builder contained or referred to in Articles 2, 3, 4, 5, 13, 14 and 15 of the CSA, it being understood and agreed that, notwithstanding this Assignment, or any subsequent assignment pursuant to the provisions of Article 15 of the CSA all obligations of such Builder to the Railroad with respect to such Builder's Equipment shall be and remain enforceable by the Railroad, its successors and assigns, against and only against such Builder. In furtherance of the foregoing assignment and transfer, each Builder hereby authorizes and empowers the Assignee, in the Assignee's own name or in the name of the Assignee's nominee, or in the name of and as attorney hereby irrevocably constituted for such Builder, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Assignee is or may become entitled under this Assignment and to ask, demand, sue for and enforce compliance by the Railroad with the terms and agreements on its part to be performed under the CSA, but at the expense and liability and for the sole benefit of the Assignee.

SECTION 2. Each Builder agrees that it shall construct its Equipment in full accordance with the CSA and

will deliver the same upon completion to the Railroad in accordance with the provisions of the CSA; and that, notwithstanding this Assignment, it will perform and fully comply with each of and all the covenants and conditions of the CSA set forth to be performed and complied with by such Builder. Each Builder further agrees that it will warrant to the Assignee and the Railroad that at the time of delivery of each unit of the Equipment of such Builder under the CSA it had legal title to such unit and good and lawful right to sell such unit and that title to such unit was free of all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment); and each Builder further agrees that it will defend the title to each unit of its Equipment against the demands of all persons whomsoever based on claims originating prior to the delivery of such unit by such Builder under the CSA; all subject, however, to the provisions of the CSA and the rights of the Railroad thereunder. No Builder will deliver any of its Equipment to the Railroad under the CSA until the filings and recordations referred to in Article 19 of the CSA have been effected (the respective Builders and their counsel being entitled to rely on advice from special counsel for the Assignee that such filings and recordations have been effected).

SECTION 3. Each Builder agrees with the Assignee that in any suit, proceeding or action brought by the Assignee under the CSA for any installment of, or interest on, indebtedness in respect of the Purchase Price of its Equipment or to enforce any provision of the CSA, such Builder will indemnify, protect and hold harmless the Assignee from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever of the Railroad arising out of a breach by such Builder of any obligation with respect to the Equipment of such Builder or the manufacture, construction, delivery or warranty thereof, or by reason of any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by such Builder. Each Builder's obligation so to indemnify, protect and hold harmless the Assignee is conditional upon (a) the Assignee's timely motion or other appropriate action, on the basis of Article 15 of the CSA, to strike any defense, setoff, counterclaim or recoupment asserted by the Railroad in any such suit, proceeding or action and (b) if the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and accepts such defense, setoff, counterclaim or recoupment as a triable issue in such suit,

proceeding or action, the Assignee's prompt notification to such Builder of the asserted defense, setoff, counterclaim or recoupment and the Assignee's giving such Builder the right, at such Builder's expense, to compromise, settle or defend against such defense, setoff, counterclaim or recoupment.

Except in cases of articles or materials specified by the Railroad and not manufactured by such Builder and in cases of designs, systems, processes, formulae or combinations specified by the Railroad and not developed or purported to be developed by such Builder, each Builder agrees, except as otherwise specifically provided in the CSA, to indemnify, protect and hold harmless the Assignee from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Assignee or its assigns because of the use in or about the construction or operation of any of its Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Assignee will give prompt notice to the appropriate Builder of any such liability or claim actually known to the Assignee and will give such Builder the right, at such Builder's expense, to compromise, settle or defend against such claim. Each Builder agrees that any amounts payable to it by the Railroad with respect to its Equipment, whether pursuant to the CSA or otherwise, not hereby assigned to the Assignee, and amounts payable to the Builder pursuant to supplemental invoices shall not be secured by any lien, charge or security interest upon the Equipment of such Builder or any unit thereof.

SECTION 4. The Assignee, on each Closing Date fixed as provided in Article 4 of the CSA with respect to a Group (as defined in said Article 4) of the Equipment, shall pay to the Builder whose Equipment shall be included in such Group and to each Builder which shall submit a supplemental invoice for settlement on such Closing Date as contemplated in Article 4 of the CSA an amount equal to the portion of the Purchase Price of such Builder's Equipment as shown on the invoice therefor then being settled for which, under the terms of said Article 4, is payable in installments, provided that there shall have been delivered to the Assignee, as provided in Article 15 of the CSA, at least five business days (as defined in said Article 4) prior to such Closing Date, the following documents, in form and scope satisfactory to it and to its special counsel hereinafter mentioned, in

such number of counterparts as may be reasonably requested by said special counsel:

(a) a bill of sale from such Builder to the Assignee confirming the transfer to the Assignee of all right, title and interest of such Builder in such Builder's Equipment in such Group, warranting to the Assignee and to the Railroad that at the time of delivery of such units under the CSA such Builder had legal title to such units and good and lawful right to sell such units and that such units were free of all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment), and covenanting to defend the title to such units against the demands of all persons whomsoever based on claims originating prior to the delivery of such units by such Builder under the CSA;

(b) a Certificate or Certificates of Acceptance with respect to the units of such Builder's Equipment in such Group as contemplated by Article 3 of the CSA;

(c) an invoice of such Builder for the units of such Builder's Equipment in such Group and any supplemental invoice for which settlement is then being made, in each case accompanied by or having endorsed thereon a certification by the Railroad as to the correctness of the prices stated therein;

(d) an opinion of Messrs. Cravath, Swaine & Moore, who are acting as special counsel for the Assignee and the Investors named in the Finance Agreement, dated as of such Closing Date, to the effect that (i) the Finance Agreement, assuming due authorization, execution and delivery by such Investors, has been duly authorized, executed and delivered and is a legal, valid, binding and enforceable instrument, (ii) the CSA has been duly authorized, executed and delivered by the Railroad and such Builder and is a legal, valid and binding instrument, enforceable in accordance with its terms, (iii) this Assignment has been duly authorized, executed and delivered by such Builder and is a legal, valid, binding and enforceable instrument, (iv) the Assignee is vested with all the rights, titles, interests, powers and privileges purported to be assigned to it by this Assignment, (v) the Assignee has title to and a valid and perfected security interest in the units of the Equipment in such Group and such units, at the time of delivery thereof to the Rail-

road under the CSA, were free from all claims, liens, security interests and other encumbrances (other than those created by the CSA), (vi) no approval of the Interstate Commerce Commission or any other governmental authority is necessary for the valid execution and delivery of the Finance Agreement, the CSA, this Assignment or the Railroad's Consent hereto, (vii) the CSA and this Assignment have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 and no other filing or recordation is necessary for the protection of the rights of the Assignee in any state of the United States of America or in the District of Columbia and (viii) registration of the CSA, this Assignment or any certificates of interest delivered pursuant to the Finance Agreement is not required under the Securities Act of 1933, as amended, and qualification of an indenture with respect thereto is not required under the Trust Indenture Act of 1939, as amended; such opinion shall also state that said counsel have examined the opinions being delivered on such Closing Date pursuant to subparagraphs (e) and (f) of this Section 4, that such opinions are satisfactory in form and scope to said counsel and that said counsel believe that the Assignee and Investors are justified in relying thereon; and such opinion shall also cover such other matters including the applicability of 11 U.S.C. § 1168 to the Equipment and any substitutes thereof, as may reasonably be requested by the Assignee or any such Investor;

(e) an opinion of counsel for the Railroad, dated as of such Closing Date, to the effect set forth in clauses (i), (ii), (v), (vi) and (vii) of subparagraph (d) above (said counsel, in rendering such opinion, being permitted to assume due authorization, execution and delivery of the Finance Agreement and this Agreement by parties thereto other than the Railroad) and stating that (i) the Railroad is a duly organized and existing corporation in good standing under the laws of its jurisdiction of incorporation and has the full power and authority to own its properties and to carry on its business as conducted on the date thereof, (ii) this Assignment is a legal, valid, binding and enforceable instrument, and (iii) the execution and delivery by the Railroad of the CSA and the Finance Agreement do not violate any provision of any law, any order of any court or governmental agency, the charter or By-laws of the Railroad, or any indenture, agreement, or other instrument to which the Railroad is a party or by which it, or any of its property is bound, and will not be in conflict with, result in the breach of, or constitute, with due notice or lapse of time or both, a default under, any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Railroad.*

(f) an opinion of counsel for such Builder, dated as of such Closing Date, to the effect set forth in clause (iv) of subparagraph (d) above in respect of its Equipment insofar as such matters relate to such Builder and stating that (i) such Builder is a duly organized and existing corporation in good standing under the laws

* except that the interest or equity of the Railroad in or to the Equipment is subject to the Railroad's First Mortgage and General (Income) Mortgage, both dated January 1, 1955, both of which are subject to and subordinate to the CSA.

of its jurisdiction of incorporation and has the power and authority to own its properties and to carry on its business as conducted on the date thereof, (ii) the CSA has been duly authorized, executed and delivered by such Builder and, assuming due authorization, execution and delivery by the other parties thereto, is a legal and valid instrument binding upon such Builder and enforceable against such Builder in accordance with its terms, (iii) this Assignment has been duly authorized, executed and delivered by such Builder and, assuming due authorization, execution and delivery by the other parties thereto, is a legal, valid, binding and enforceable instrument binding upon such Builder and (iv) the bill of sale delivered by such Builder on such Closing Date is effective to confirm the transfer of the Builder's right, title and interest in the units of the Equipment in such Group to the Assignee and such units, at the time of delivery thereof to the Railroad under the CSA, were free from all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment);

(g) a certificate of the senior financial officer of the Railroad, dated as of such Closing Date, to the effect that (i) to the best of his knowledge and belief, no event of default, or event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default, shall have occurred and is then continuing, (ii) no Federal tax liens (including tax liens filed pursuant to Section 6323 of the Internal Revenue Code of 1954, as amended) and to the best of his knowledge and belief no other tax liens have been filed and are currently in effect which would adversely affect the security interest of the Assignee in the Equipment; and (iii) to the best of his knowledge and belief, the Railroad has not been in default as to principal and interest payments during the five years preceding the Closing Date;

(h) a receipt from such Builder for any payment (other than the payment being made by the Assignee pursuant to the first paragraph of this Section 4) required to be made on such Closing Date to such Builder with respect to the Equipment, unless such payment is made by the Assignee with funds furnished to it for that purpose by the Railroad;

provided, however, that with respect to Equipment for which

a Final Supplemental Invoice (as defined in the CSA) is submitted by any Builder as permitted by Article 4 of the CSA, the only documents which must be delivered to the Assignee are those required by subparagraphs (c) and (h) of this Section 4.

In giving the opinions specified in subparagraphs (d), (e) and (f) of the first paragraph of this Section 4, counsel may qualify any opinion to the effect that any agreement is a legal, valid and binding instrument enforceable in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally. In giving the opinion specified in said subparagraphs (d) and (e), counsel may rely on the opinion of counsel for such Builder as to authorization, execution and delivery by such Builder of the documents executed by such Builder and as to title to the Equipment of such Builder at the time of delivery thereof under the CSA; and in giving the opinion specified in said subparagraph (d), counsel may rely as to any matter governed by the law of any jurisdiction other than New York or the United States on the opinion of counsel for the Railroad as to such matter; and in giving the opinion specified in said subparagraph (e), counsel may rely on the bill of sale and opinion of counsel for such Builder as to claims, liens, security interests and other encumbrances arising from, through or under such Builder.

The obligation of the Assignee hereunder to make any payment provided for in this Section 4 is hereby expressly conditioned upon the Assignee's having on deposit, pursuant to the terms of the Finance Agreement, sufficient funds available thereunder to make such payment. The Assignee shall not be obligated to make payment at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 of the CSA or if an event of default, or any event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default, shall have occurred and be continuing under the CSA. In the event that the Assignee shall not make payment for any Group of the Equipment on any scheduled Closing Date as the same may from time to time be postponed, the Assignee shall be deemed to have reassigned to such Builder, without recourse to the Assignee, all right, title and interest of the Assignee in and to the units of the Equipment with respect to which payment has not been made by the Assignee, and at the request

of such Builder, confirm in writing such reassignment. In the event that the Assignee shall not make payment for any Final Supplemental Invoice on any scheduled Closing Date as the same may from time to time be postponed, the sole remedy of the Builder in respect thereof shall be an unsecured claim for the amount thereof against the Railroad and the payment thereof to the Builder shall not be secured by any lien, charge or security interest upon the Equipment of such Builder or any unit thereof.

SECTION 5. The Assignee may assign all or any of its rights under the CSA, including the right to receive any payments due or to become due to it from the Railroad thereunder. In the event of any such assignment any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

SECTION 6. Each Builder hereby severally:

(a) represents and warrants to the Assignee, its successors and assigns, that the CSA was duly authorized by it and lawfully executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by the Railroad, the CSA is, insofar as such Builder is concerned, a valid and existing agreement binding upon it and the Railroad in accordance with its terms and that it is now in force without amendment thereto;

(b) agrees that it will from time to time and at all times, at the request of the Assignee or its successors or assigns, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be; and

(c) agrees that, upon request of the Assignee and provided that the Assignee shall have made all payments which the Assignee is required by this Assignment to make to such Builder, its successors and assigns, it will execute any and all instruments which may be neces-

sary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of such Builder therein or in the Equipment of such Builder.

SECTION 7. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of Missouri; provided, however, that the parties shall be entitled to all the rights conferred as provided in Article 23 of the CSA.

SECTION 8. Although this Assignment is dated for convenience as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 9. This Assignment may be executed in any number of counterparts, all of which together shall constitute a single instrument. Each Builder shall be bound hereunder notwithstanding the failure of the other Builder to execute and deliver this Assignment or to perform its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

MERCANTILE TRUST COMPANY, N.A.,
As Agent,

by
Elden R. Stennberg
Vice President

[Corporate Seal]

Attest:

Victor Zarrilli
Assistant Secretary

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

by P. K. Hoglund
Vice President

[Corporate Seal]

Attest:

W. J. Scott
Assistant Secretary

GENERAL ELECTRIC COMPANY,

by M. S. Richardson
General Manager-Locomotive Operations

[Corporate Seal]

Attest:

J. T. Hughes
Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by R. K. Smith
Vice President

[Corporate Seal]

Attest:

M. Hemphill, Jr.
Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by Walter A. Dahl
Vice President

[Corporate Seal]

Attest:

R. W. Polster
~~Assistant~~ Secretary

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this 11thday of April 1980, before me personally appeared Elden R. Stennberg , to me personally known, who, being by me duly sworn, says that he is a Vice President of MERCANTILE TRUST COMPANY, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Dorothy Pusczek
Notary Public

[NOTARIAL SEAL] Dorothy Pusczek

My Commission expires
August 25, 1980

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 8th day of April 1980, before me personally appeared P. K. Hoglund , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (Electro-Motive Division), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

T. K. Piorecki
Notary Public

[Notarial Seal]

My Commission expires
September 18, 1983

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this 9th day of April 1980, before me personally appeared M. S. Richardson , to me personally known, who, being by me duly sworn, says that he is General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Judy Crandall
Notary Public
Judy Crandall, Notary Public
Lawrence Park Twp. Erie County, Penna.
My Commission Expires January 16, 1984

[Notarial Seal]

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this 10th day of April 1980, before me personally appeared R. K. Smith , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Evelyn S. Weeks
Notary Public
My Commission Expires
City of Bethlehem
Lehigh County
October 13, 1982

[Notarial Seal]

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this 14th day of April 1980, before me personally appeared W. A. Dahl, to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

L. W. Moffett

Notary Public

[Notarial Seal]

My Commission expires
October 14, 1982

L. W. Moffett, Notary Public
City of Washington, District of Columbia
My Commission Expires October 14, 1982

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

MISSOURI PACIFIC RAILROAD COMPANY hereby acknowledges due notice of and consents to the assignment made by the foregoing Agreement and Assignment as of March 1, 1980.

MISSOURI PACIFIC RAILROAD COMPANY,

by M. M. Hennelley
Vice President

[CS&M Ref. 2043-986]

AMENDMENT AGREEMENT NO. 3, dated as of July 31, 1980, among Missouri Pacific Railroad Company (the "Railroad"), General Motors Corporation (Electro-Motive Division), General Electric Company, Bethlehem Steel Corporation, Greenville Steel Car Company, and Fruit Growers Express Company (collectively called the "Builders" and individually called "GM", "GE", "Bethlehem", "Greenville" and "Fruit Growers", respectively), and Mercantile Trust Company, N.A. (the "Assignee").

WHEREAS the Railroad and the Builders (except Greenville) have entered into a Conditional Sale Agreement dated as of March 1, 1980 (the "Conditional Sale Agreement"), providing for the construction, sale and delivery of certain items of railroad rolling stock specified in Schedule B thereto (the "Equipment");

WHEREAS the Builders (except Greenville) and the Assignee have entered into an Agreement and Assignment dated as of March 1, 1980 (the "Assignment"), assigning to the Assignee the rights of such Builders under the Conditional Sale Agreement therein specified;

WHEREAS the Conditional Sale Agreement and the Assignment were filed and recorded with the Interstate

Commerce Commission pursuant to 49 U.S.C. § 11303 on April 14, 1980, at 2:25 p.m., and were assigned recordation number 11671;

WHEREAS the Conditional Sale Agreement and the Agreement and Assignment were amended by Amendment Agreement No. 1 dated as of April 1, 1980, among the Railroad, GE and the Assignee ("Amendment Agreement No. 1");

WHEREAS Amendment Agreement No. 1 was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 24, 1980, at 1:35 p.m., and was assigned recordation number 11671-A;

WHEREAS the Conditional Sale Agreement and the Agreement and Assignment were amended by Amendment Agreement No. 2 dated as of May 1, 1980, among the Railroad, Bethlehem and the Assignee ("Amendment Agreement No. 2");

WHEREAS Amendment Agreement No. 2 was filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on May 15, 1980, at 3:50 p.m., and was assigned recordation number 11671-B;

WHEREAS the Railroad and the Builders desire to amend the Conditional Sale Agreement by excluding from the Equipment the units which were to be manufactured and sold by Fruit Growers, and to substitute therefor certain units of equipment to be manufactured and sold by Greenville and hav-

AAR Mechanical Designation:	XP
Builder's Specifications:	S-467
Builder's Plant:	Alexandria, Virginia
Quantity:	28
Unit Base Price:	$76,400
Total Base Price:	$2,139,200
Road Numbers or Serial Numbers (Inclusive):	MP269431-MP269458
Estimated Time of Delivery at Builder's Plant:	July 1980

3. The Conditional Sale Agreement, a counterpart of which is attached hereto and incorporated herein by reference, is hereby amended by (w) by deleting the last sentence of the first paragraph of Article 3 thereof, (x) deleting all references to Fruit Growers and substituting as a party thereto, Greenville, which shall be deemed included for all purposes as a "Builder" therein, (y) amending and restating Item 1(d) and Item 2(d) of Schedule A to the Conditional Sale Agreement as set forth in Schedule A attached hereto, and deleting "Fruit Growers" and substituting therefor "Greenville" in Item 3, and (z) adding to Schedule B to the Conditional Sale Agreement the information with respect to equipment to be built by Greenville, as set forth in Schedule B hereto.

4. The Assignment, a counterpart of which is

attached hereto and incorporated herein by reference, is hereby amended (x) by deleting all references to Fruit Growers and substituting as a party thereto, Greenville, which shall be deemed included for all purposes as a "Builder" therein, and (y) by adding after the word "hereof" in the third line of the introductory paragraph thereof the words "as amended by Amendment Agreement No. 1 dated as of April 1, 1980, Amendment Agreement No. 2 dated as of May 1, 1980, and Amendment Agreement No. 3 dated as of July 31, 1980".

5. The Assignee hereby consents to the foregoing amendments to the Conditional Sale Agreement and the Assignment and the addition of Greenville as a party to each thereof.

6. The Railroad will promptly cause this Amendment Agreement to be filed and recorded in accordance with the provisions of Article 19 of the Conditional Sale Agreement prior to the delivery of any Equipment by Greenville under the Conditional Sale Agreement.

7. Except as hereby or heretofore amended, the Conditional Sale Agreement and the Assignment shall remain unaltered and in full force and effect.

8. This Amendment Agreement shall be governed and construed in accordance with the laws of the State of Missouri; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

9. This Amendment Agreement may be executed in several counterparts, all of which together shall constitute a single instrument. It shall not be necessary that any counterpart be signed by all the parties so long as each party shall execute a counterpart thereof.

IN WITNESS WHEREOF, the parties hereto have caused their names to be signed hereto by their respective officers thereunto duly authorized, and their respective corporate seals, duly attested, to be hereunto affixed as of the day and year first above written.

MISSOURI PACIFIC RAILROAD COMPANY,

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

MERCANTILE TRUST COMPANY, N.A.,

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

GREENVILLE STEEL CAR COMPANY,

by

_____
Chairman of the Board

[Corporate Seal]

Attest:

_____
Assistant Secretary

GENERAL MOTORS CORPORATION
(Electro-Motive Division),

by

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

GENERAL ELECTRIC COMPANY,

by

_____
General Manager-
Locomotive Operations

[Corporate Seal]

Attest:

_____
Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by RK Smith

_____
Vice President

[Corporate Seal]

Attest:

_____
Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by

_____
Vice President

[Corporate Seal]

Attest:

_____

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of MISSOURI PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires:

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of MERCANTILE TRUST COMPANY, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation and that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires:

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF MERCER,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is Chairman of the Board of GREENVILLE STEEL CAR COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires:

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (Electro-Motive Division), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires:

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this 7th day of August 1980, before me personally appeared R K Smith , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Evelyn L Nicks
Notary Public

[Notarial Seal]

My Commission expires

My Commission Expires
City of Bethlehem
Lehigh County
October 13, 1982

DISTRICT OF COLUMBIA,) ss.:

On this day of 1980, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

_____
Notary Public

[Notarial Seal]

My Commission expires

Schedule A

Item 1: (d) Greenville Steel Car Company, a Pennsylvania corporation, Union Street, Greenville, Pennsylvania 16125.

Item 2: [Warranty of materials and Workmanship] (d) Greenville Steel Car Company ("Greenville") warrants that its Equipment will be built in accordance with the Specifications and the standards and requirements set forth or referred to in Article 2 of this Agreement and warrants that its Equipment will be free from defects in material (except as to specialties incorporated therein specified by the Railroad and not manufactured by Greenville) and workmanship and design (except as to designs specified by the Railroad and not developed by Greenville) under normal use and service, Greenville's obligation under this Item 2(d) being limited to making good at its plant any part or parts of any unit of its Equipment which shall, within ~~two~~ one year~~s~~ or 50,000 miles, whichever occurs first, after the delivery of such units of its Equipment to the Railroad, be returned to Greenville with transportation charges prepaid and which examination by Greenville shall disclose to its satisfaction to have been thus defective. In no event shall Greenville be liable to anyone for any incidental, special or consequential damages of any kind. The foregoing warranty is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose, except for its obligations or liabilities under Articles 2, 3, 4 and 14 of the Agreement, and Item 3 below, and Greenville neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment.

Greenville agrees to use its best efforts to include, as a condition of its purchase order with the vendor of any specialty purchased by Greenville for incorporation in the Equipment manufactured by it, an agreement by such vendor to the effect that all warranty agreements and representations, if any, made by such vendor with respect to such specialty may be enforced by the

Railroad, in the Railroad's own name, by Greenville, in Greenville's own name, or by Greenville and the Railroad jointly; provided, however, that if any vendor does not accept such an agreement and Greenville so notifies the Railroad, Greenville shall have no obligation to the Railroad under this sentence if such an agreement is not contained in any such purchase order. Greenville further agrees that, whether or not such an agreement is contained in any such purchase order, the Railroad as well as Greenville may to the extent permitted by law take and prosecute claims against vendors of specialties purchased by Greenville for incorporation in the Equipment manufactured by Greenville for the breach of any warranty by the vendors with respect to such specialties. Greenville and the Railroad each agree to notify the other prior to the assertion of any claim by them against any such vendors of specialties. If Greenville determines that it has no interest in any such claim asserted by the Railroad, Greenville agrees to assign to the Railroad, solely for the purpose of making and prosecuting any such claim, all of the rights which Greenville has against such vendor for the breach of warranty or other representation respecting the Equipment manufactured by it. The word "specialties" as used herein shall be deemed to include articles, materials, systems, formulae and processes.

Greenville further agrees with the Railroad that neither the inspection as provided in Article 3 of this Agreement, nor any examination, nor the acceptance of any units of the Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 2(d).

Schedule B

Builder:	Greenville Steel Car Company
Type:	100-ton Wood Chip Hopper Cars
AAR Mechanical Designation:	HTS
Builder's Specifications:	H-6043 B
Builder's Plant:	Greenville, Pennsylvania
Quantity:	35
Unit Base Price:	$58,300
Total Base Price:	$2,040,500
Road Numbers or Serial Numbers (Inclusive):	MP592950-MP592984
Estimated Time and Place of Delivery at Builder's Plant:	OCTOBER ~~November~~ 1980--DECEMBER 1980 ~~January 1981~~

EXHIBIT A

[CS&M 2043-986]

CONDITIONAL SALE AGREEMENT

Dated as of March 1, 1980

Between each of

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

GENERAL ELECTRIC COMPANY,

BETHLEHEM STEEL CORPORATION

and

FRUIT GROWERS EXPRESS COMPANY

and

MISSOURI PACIFIC RAILROAD COMPANY

AGREEMENT AND ASSIGNMENT

Dated as of March 1, 1980

Between each of

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

GENERAL ELECTRIC COMPANY,

BETHLEHEM STEEL CORPORATION

and

FRUIT GROWERS EXPRESS COMPANY

and

MERCANTILE TRUST COMPANY, N.A.,
as Agent.

Filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 14, 1980, at 2:25 p.m., recordation number 11671, and conformed to reflect Amendment Agreements dated as of April 1, 1980, and May 1, 1980, respectively, filed and recorded with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on April 24, 1980, at 1:35p.m., recordation number 11671-A, and May 15, 1980, at 3:50 p.m., recordation number 11671-B, respectively.

CONDITIONAL SALE AGREEMENT

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CONDITIONAL SALE AGREEMENT dated as of March 1, 1980, between each of GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION), GENERAL ELECTRIC COMPANY, BETHLEHEM STEEL CORPORATION and FRUIT GROWERS EXPRESS COMPANY (collectively the "Builders" or severally the "Builder", or collectively or severally the "Vendor" as the context may require, all as more particularly set forth in Article 1 hereof), and MISSOURI PACIFIC RAILROAD COMPANY, a Delaware corporation (the "Railroad").

The Builders severally have agreed to construct, sell and deliver to the Railroad, and the Railroad has agreed to purchase, the equipment described in Schedule B hereto (the "Equipment").

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

ARTICLE 1. Certain Definitions. The term "Vendor", whenever used in this Agreement, means, before any assignment of any of their rights hereunder, the respective corporations named in Item I of Schedule A hereto and any successor or successors for the time being to their manufacturing properties and businesses, and, after any such assignment, both any assignee or assignees for the time being of such particular assigned rights as regards such rights, and also any assignor as regards any rights hereunder that are retained or excluded from any assignment. The parties hereto contemplate that this Agreement shall be assigned to Mercantile Trust Company, N.A., acting as agent under a Finance Agreement dated as of the date hereof (said agent being hereinafter sometimes called the "Agent" and said Finance Agreement being hereinafter called the "Finance Agreement"). The term "Builder", whenever used in this Agreement, means, both before and after any such assignment, the respective corporations (as to the units of Equipment to be constructed by such corporation and sold hereunder) named in Item 1 of Schedule A hereto and any successor or successors for the time being to their respective manufacturing properties and businesses.

The rights and obligations of the Builders under this Agreement are several in accordance with their interests

and not joint. Accordingly, whenever this Agreement, by the use of such designation as "the Vendor", "such Builder" or other similar term, confers a right or imposes an obligation upon any corporation named in Item 1 of Schedule A hereto or its successor, such right or obligation shall be construed to accrue to or to be enforceable against only the specific corporation furnishing the units of Equipment giving rise to such right or obligation and its successors as herein provided.

ARTICLE 2. Construction and Sale. Pursuant to this Agreement, each Builder shall construct the units of the Equipment to be constructed by it as described in Schedule B hereto (such units of Equipment with respect to such Builder being hereinafter called "its Equipment") at its plant set forth in said Schedule B and will sell and deliver to the Railroad, and the Railroad will purchase from such Builder and accept delivery of and pay for (as hereinafter provided), such Equipment, each unit of which shall be constructed in accordance with the specifications set forth or referred to therefor in Schedule B hereto and in accordance with such modifications thereof as may be agreed upon in writing between such Builder and the Railroad (which specifications and modifications, if any, are hereinafter called the "Specifications"). The design, quality and component parts of each unit of the Equipment shall conform, on the date of completion of manufacture of each thereof, to all Department of Transportation and Interstate Commerce Commission requirements and specifications and to all standards recommended by the Association of American Railroads reasonably interpreted as being applicable to equipment of the character of such units of the Equipment and each unit of the Equipment will be new railroad equipment.

ARTICLE 3. Inspection and Delivery. Each Builder will deliver the units of its Equipment to the Railroad at the place or places specified in Schedule B hereto (or if said Schedule B does not specify a place or places, at the place or places designated from time to time by the Railroad), freight charges, if any, prepaid and for the account of the Railroad in accordance with the delivery schedule set forth in Schedule B hereto; provided, however, that no Builder shall have any obligation to deliver any unit of Equipment hereunder at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 hereof or if any event of default (as described in said Article 16), or event which with the lapse of time and/or demand could

constitute such an event of default, shall have occurred and be continuing. It is agreed between the Railroad and Fruit Growers Express Company that the obligation of Fruit Growers Express Company to construct the units of its Equipment is subject to its constructing the same type of equipment for Consolidated Rail Corporation.

Each Builder's obligation as to time of delivery is subject, however, to delays resulting from causes beyond such Builder's reasonable control, including but not limited to acts of God, acts of government such as embargoes, priorities and allocations, war or war conditions, riot or civil commotion, sabotage, strikes, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities, delays in receiving necessary materials or delays of carriers or subcontractors.

Notwithstanding the preceding provisions of this Article 3, any Equipment not delivered, accepted and settled for pursuant to Article 4 hereof on or before the Cut-Off Date (as defined in Article 4 hereof) shall be excluded herefrom. If any unit or units of Equipment shall be excluded from this Agreement pursuant to the preceding sentence, the Builder or Builders of such unit or units and the Railroad shall execute an agreement supplemental hereto limiting this Agreement to the units of Equipment not so excluded herefrom. If a Builder's failure to deliver Equipment so excluded from this Agreement resulted from one or more of the causes set forth in the immediately preceding paragraph, the Railroad shall nevertheless be obligated to accept such Equipment and pay the full purchase price therefor, determined as provided in this Agreement, if and when such Equipment shall be completed and delivered by such Builder, such payment to be in cash on the delivery of such Equipment, either directly or, in case the Railroad shall arrange therefor, by means of a conditional sale agreement, equipment trust or such other appropriate method of financing as the Railroad shall determine and as shall be reasonably acceptable to such Builder.

During construction, the Equipment shall be subject to inspection and approval by the authorized inspectors of the Railroad and each Builder shall grant to such authorized inspectors reasonable access to its plant. Each Builder agrees to inspect all materials used in the construction of

its Equipment in accordance with the standard quality control practices of such Builder. Upon completion of each unit or of a number of units of the Equipment, such unit or units shall be presented to an inspector of the Railroad for inspection at the place specified for delivery of such unit or units, and if each such unit conforms to the Specifications, requirements and standards applicable thereto, such inspector or an authorized representative of the Railroad shall execute and deliver to such Builder a certificate of acceptance (the "Certificate of Acceptance") stating that such unit or units have been inspected and accepted on behalf of the Railroad and are marked in accordance with Article 7 hereof; provided, however, that such Builder shall not thereby be relieved of its warranty referred to in Article 14 hereof.

On delivery to and acceptance by the Railroad of each such unit hereunder at the place specified for delivery, the Railroad will assume the responsibility and risk of, and shall not be released from its obligations hereunder in the event of, any damage to or the destruction or loss of such unit.

ARTICLE 4. Purchase Price and Payment. The base price or prices per unit of the Equipment are set forth in Schedule B hereto. Such base price or prices are subject to such increase or decrease as is agreed to by the Builder thereof and the Railroad. The term "Purchase Price" as used herein shall mean the base price or prices as so increased or decreased, including without limitation any increase pursuant to the presentation of a supplemental invoice as hereinafter provided, plus off-line freight charges, if any.

If the aggregate Purchase Price shall exceed $59,172,500, the Builder or Builders (and any assignee of the Builders) and the Railroad, unless waived by the Railroad, will enter into an agreement excluding from this Agreement such unit or units of Equipment then proposed to be settled for and specified by the Railroad, as will, after giving effect to such exclusion, reduce the aggregate Purchase Price of the Equipment under this Agreement to not more than $59,172,500, and the Railroad agrees to purchase any such unit or units so excluded from this Agreement from the Builder thereof for cash on the date such unit or units would otherwise have been settled for under this Agreement either directly, or by means of a conditional sale, equipment trust or other appropriate method of financing as the Railroad

shall determine and shall be reasonably acceptable to such Builder.

For the purpose of making settlement, the Equipment of each Builder shall be divided into such number of groups of units of the Equipment, delivered to and accepted by the Railroad (each such group being hereinafter called a "Group"), as such Builder and the Railroad may agree to.

The Railroad hereby acknowledges itself to be indebted to the Vendor in the amount of, and hereby promises to pay in cash to the Vendor at such place as the Vendor may designate, the Purchase Price of the Equipment, as follows:

(a) on each Closing Date (as hereinafter defined) an amount equal to (i) 20% of the Purchase Price of all units of the Equipment for which settlement is then being made, as stated in the invoice or invoices presented (including the supplemental invoice or invoices hereinafter provided for) in respect of such Closing Date (said invoiced prices being herein called the "Invoiced Purchase Prices") plus (ii) the amount, if any, by which the Invoiced Purchase Price of all units of the Equipment for which settlement has theretofore or is then being made, exceeds $47,338,000; and

(b) in 15 consecutive equal annual installments, as hereinafter provided, an amount equal to the aggregate of the Invoiced Purchase Prices for all the Equipment less the amount paid or payable with respect thereto pursuant to subparagraph (a) of this paragraph (the aggregate of said installments being hereinafter called the "CSA Indebtedness").

In the event that on any Closing Date the final Purchase Price of any Group has not been determined, the invoice presented may be for an estimated Purchase Price (as evidenced by the words "Interim Invoice" written on the face of such invoice), subject to adjustment upon determination of the final Purchase Price, and a supplemental invoice may be presented by the appropriate Builder at least 10 days prior to any subsequent Closing Date for settlement on such subsequent Closing Date for any increase in the Purchase Price. Any prior preliminary invoice or invoices presented by such Builder shall be in an amount not in excess of the final Purchase Price of such Group. One final supplemental invoice (the "Final Supplemental Invoice") may be presented

by a Builder after the last Closing Date on which a Certificate or Certificates of Acceptance is presented for the last Group of Equipment provided by such Builder; provided, however, that the Final Supplemental Invoice may only be presented on or prior to June 1, 1981 (the "Cut-Off Date"), and that the notation "Final Supplemental Invoice" shall appear on the face thereof.

The installments of the CSA Indebtedness payable pursuant to subparagraph (b) of the fourth paragraph of this Article 4 shall be payable annually on June 1 in each year commencing on June 1, 1981, to and including June 1, 1995, or, if any such date is not a business day, on the next succeeding business day. The unpaid portion of the CSA Indebtedness shall bear interest from the respective Closing Dates on which such indebtedness was incurred at a rate of 12-3/4% per annum from the Closing Date on which such indebtedness was incurred; provided, however, that interest on the investment of The Northern Trust Company (the "Interim Investor" as defined in the Finance Agreement) in the CSA Indebtedness incurred hereunder shall be payable for the period from the Closing Date or Dates with respect thereto until August 8, 1980, at a rate per annum equal to the rate of interest in effect from time to time during such period charged by the Interim Investor for prime commercial loans of 90-day maturities to its corporate borrowers of the highest credit rating (the "Prime Rate"), and after August 8, 1980, at the rate of 12-3/4% per annum. All such interest shall be payable, to the extent accrued, on June 1 and December 1 in each year, commencing December 1, 1980, or, if any such date is not a business day, on the next succeeding business day; provided, however, that interest payable pursuant to the proviso to the preceding sentence shall be payable on August 8, 1980.

The term "Closing Date" with respect to any Group of the Equipment shall mean such date (on or after April 8, 1980, and on or prior to the Cut-Off Date), not more than 10 business days following presentation by the Builder of the Equipment in such Group to the Railroad of the invoice and the Certificate or Certificates of Acceptance for such Group, as shall be fixed by the Railroad by written notice delivered to the Vendor at least 5 business days prior to the Closing Date designated therein; provided, however, that the aggregate of the Invoiced Purchase Prices of all Equipment settled for pursuant to this Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) on any Closing Date shall not exceed 125% of the amount then on deposit with the

Vendor pursuant to the Finance Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) under which the Vendor is acting as agent for the institutional investors therein named. The term "business days" as used herein means calendar days, excluding Saturdays, Sundays and any other day on which banking institutions in St. Louis, Missouri, or New York, New York, are authorized or obligated to remain closed.

All interest under this Agreement shall be calculated on the basis of a 360-day year of 12 30-day months.

The Railroad will pay, to the extent legally enforceable, interest at the rate of 13-3/4% per annum (or 1% per annum over the Prime Rate then in effect in the case of the Interim Investor) upon all amounts remaining unpaid after the same shall have become due and payable pursuant to the terms hereof, anything herein to the contrary notwithstanding.

All payments provided for in this Agreement shall be made in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. Except as provided in Article 8 hereof, the Railroad shall not have the privilege of prepaying any installment of its indebtedness hereunder prior to the date it becomes due.

In the event the Vendor, pursuant to Article 15 hereof, assigns the right to receive the payments herein provided to be made by the Railroad, the assignee thereof may request the Railroad to make and the Railroad shall make such payments to it at such address as shall be supplied to the Railroad by the assignee.

ARTICLE 5. Taxes. All payments to be made by the Railroad hereunder will be free of expense to the Vendor for collection or other charges and will be free of expense to the Vendor with respect to the amount of any local, state, Federal or foreign taxes (other than net income, gross receipts [except gross receipts taxes in the nature of or in lieu of sales or use taxes], excess profits and similar taxes) or license fees, assessments, charges, fines or penalties hereafter levied or imposed upon or in connection with or measured by, this Agreement or any sale, use, payment, shipment, delivery or transfer of title under the terms hereof (all such expenses, taxes, license fees, assessments, charges, fines and penalties being hereinafter called "impositions"), all of which impositions the Railroad assumes and

agrees to pay on demand. The Railroad will also pay promptly all impositions which may be imposed upon the Equipment delivered to it or for the use or operation thereof or upon the earnings arising therefrom or upon the Vendor solely by reason of its interest therein and will keep at all times all and every part of the Equipment free and clear of all impositions which might in any way affect the security interest of the Vendor or result in a lien upon any part of the Equipment; provided, however, that the Railroad shall be under no obligation to pay any impositions of any kind so long as it is contesting in good faith and by appropriate legal proceedings such impositions and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the interest or rights of the Vendor in or to the Equipment or otherwise under this Agreement. If any such impositions shall have been charged or levied against the Vendor directly and paid by the Vendor, the Railroad shall reimburse the Vendor upon presentation of an invoice therefor, and any amounts so paid by the Vendor shall be secured by and under this Agreement; provided, however, that the Railroad shall not be obligated to reimburse the Vendor for any impositions so paid unless the Vendor shall have been legally liable with respect thereto (as evidenced by an opinion of counsel for the Vendor) or unless the Railroad shall have approved the payment thereof.

ARTICLE 6. Title to the Equipment. The Vendor shall and hereby does retain title to and a security interest in the Equipment until the Railroad shall have made all its payments under this Agreement and shall have kept and performed all its agreements herein contained, notwithstanding the delivery of the Equipment to and the possession and use thereof by the Railroad as provided in this Agreement. Any and all additions to the Equipment and any and all replacements of the Equipment and of parts thereof and additions thereto shall constitute accessions to the Equipment and shall be subject to all the terms and conditions of this Agreement and included in the term "Equipment" as used in this Agreement.

Except as otherwise specifically provided in Article 8 hereof, when and only when the full indebtedness in respect of the Purchase Price of the Equipment, together with interest and all other payments as herein provided, shall have been paid by the Railroad, and all the Railroad's obligations herein contained shall have been performed by the Railroad, absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the

Railroad without further transfer or action on the part of the Vendor. However, the Vendor, if so requested by the Railroad at that time, will (a) execute a bill or bills of sale for the Equipment transferring and releasing its interest therein to the Railroad, or upon its order, free of all claims, liens, security interests and other encumbrances created or retained hereby and deliver such bill or bills of sale to the Railroad at its address referred to in Article 21 hereof, (b) execute and deliver at the same place, for filing, recording or depositing in all necessary public offices, such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the release of the security interest of the Vendor in the Equipment and (c) pay to the Railroad any money paid to the Vendor pursuant to Article 8 hereof and not theretofore applied as therein provided. The Railroad hereby waives and releases any and all rights, existing or that may be acquired, in or to the payment of any penalty, forfeit or damages for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file any certificate of payment in compliance with any law or statute requiring the filing of the same, except for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file such certificate within a reasonable time after written demand by the Railroad.

ARTICLE 7. Marking of the Equipment. The Railroad will cause each unit of the Equipment to be kept numbered with its identifying number as set forth in Schedule B hereto, or in the case of Equipment not there listed such identifying number as shall be set forth in any amendment or supplement hereto extending this Agreement to cover such Equipment, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each unit, in letters not less than one inch in height, the words "Ownership Subject to a Security Agreement Filed with the Interstate Commerce Commission", or the name of the Vendor followed by the words "Agent, Owner", or other appropriate markings approved by the Vendor with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Vendor's interest in the Equipment and its rights under this Agreement. The Railroad will not place any such unit in operation or exercise any control or dominion over the same until such markings have been made thereon and will replace promptly any such markings which may be removed, defaced or destroyed. The Railroad will not change the number of any unit of the Equipment except in accordance with

a statement of new number or numbers to be substituted therefor, which statement previously shall have been filed with the Vendor by the Railroad and filed, recorded and deposited by the Railroad in all public offices where this Agreement shall have been filed, recorded and deposited.

Except as provided in the immediately preceding paragraph, the Railroad will not allow the name of any person, association or corporation to be placed on any unit of the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Railroad may cause the Equipment to be lettered with the names or initials or other insignia of the Railroad or its affiliates.

ARTICLE 8. Casualty Occurrences; Insurance. In the event that any unit of the Equipment shall be worn out, lost, stolen, destroyed, irreparably damaged or otherwise rendered permanently unfit for use from any cause whatsoever, or taken or requisitioned by condemnation or otherwise or the Purchase Price (or any portion thereof) of any unit shall have been refunded by a Builder pursuant to such Builder's patent indemnities therefor as set forth in Item 3 of Schedule A hereto (such occurrences being hereinafter called "Casualty Occurrences"), the Railroad shall promptly and fully inform the Vendor in regard thereto (after it has knowledge of such Casualty Occurrence). When the aggregate Casualty Value (as defined herein and in the Other Agreement as defined in Item 4 of Schedule A hereto) of all units of the Equipment and all units of the railroad equipment covered by the Other Agreement having suffered a Casualty Occurrence (exclusive of units having suffered a Casualty Occurrence with respect to which a payment shall have been made to the Vendor pursuant to this Article 8 or Article 8 of the Other Agreement) hereunder shall exceed $250,000 (or such lesser amount as the Railroad may elect), the Railroad, within 30 days after it has knowledge of such event, shall promptly pay to the Vendor a sum equal to the aggregate Casualty Value of such units of the Equipment as of the date of such payment and shall file with the Vendor a certificate of an officer of the Railroad setting forth the Casualty Value of each unit of the Equipment suffering a Casualty Occurrence.

So long as no event of default shall have occurred and be continuing, any money paid to the Vendor pursuant to the preceding paragraph of this Article 8 shall be used, as the Railroad shall direct in a written instrument filed with the Vendor not less than 10 days prior to the due date of the

next annual installment of CSA Indebtedness, in whole or in part, to prepay installments of CSA Indebtedness or toward not more than 80% of the cost of a unit or units of new standard-gauge railroad equipment (other than passenger or work equipment of types other than locomotives), to replace units suffering a Casualty Occurrence and the Railroad shall pay the balance of such cost of replacement equipment, in addition to the Casualty Value payment provided above; provided, however, that the total fair value of all cabooses and locomotives which will be subject to this Agreement and the Other Agreement (as defined in Item 4 of Schedule A hereto) will not exceed 6% and 59% respectively of all Equipment (and its cash equivalent) subject to this Agreement and the Other Agreement. In case any money is applied pursuant to this Article 8 to prepay indebtedness, it shall be so applied to reduce each installment of CSA Indebtedness thereafter falling due pro rata.

The Casualty Value of each unit of the Equipment (other than a replacement unit) shall be deemed to be that amount which bears the same ratio to the original Purchase Price thereof (less an amount which bears the same ratio to the aggregate of all payments made by the Railroad pursuant to subparagraph (a) of the fourth paragraph of Article 4 hereof as the original Purchase Price of such unit bears to the original aggregate Purchase Price of all the Equipment) as the unpaid CSA Indebtedness (without giving effect to any prepayments then or theretofore made pursuant to this Article 8) as of the date payment is made with respect to such Casualty Occurrence bears to the original CSA Indebtedness. The Casualty Value of each replacement unit shall be deemed to be that amount which bears the same ratio to the portion of the cost thereof paid by the Vendor as the unpaid CSA Indebtedness (without giving effect to any prepayments then or theretofore made pursuant to this Article 8) as of the date payment is made with respect to such Casualty Occurrence bears to the unpaid CSA Indebtedness (without giving effect to any such prepayments) as of the date of acquisition by the Vendor of such replacement unit.

The Railroad will cause any replacement unit or units to be marked as provided in Article 7 hereof. Any and all such replacements of Equipment shall constitute accessions to the Equipment and shall be subject to all appropriate terms and conditions of this Agreement as though part of the original Equipment delivered hereunder and shall be included in the term "Equipment" as used in this Agreement; provided, however, that nothing herein shall result in any

Builder having any liability or obligation pursuant to this Agreement with respect to any replacement unit or units not manufactured by it. Title to all such replacement units shall be free and clear of all liens and encumbrances except the liens permitted by the second paragraph of Article 12 hereof and shall be taken initially and shall remain in the name of the Vendor subject to the provisions hereof, and the Railroad shall execute, acknowledge, deliver, file, record or deposit all such documents and do any and all such acts as may be necessary to cause such replacement units to come under and be subject to this Agreement. All such replacement units shall be guaranteed and warranted in like manner as is customary at the time for similar equipment.

Whenever the Railroad shall file with the Vendor a written direction to apply amounts toward the cost of any replacement unit or units, the Railroad shall file therewith in addition to any settlement documents which may be required pursuant to the fifth paragraph of Article 15 hereof:

(1) a certificate of an appropriate officer of the Railroad certifying that such replacement unit is new standard-gauge railroad equipment (other than passenger or work equipment of types other than locomotives), has been marked as required by the provisions of this Article 8, the cost of such replacement equipment and compliance with the percentage limitations for cabooses and locomotives set forth in the second paragraph of this Article 8.

(2) an opinion of counsel for the Railroad that the Vendor has a valid and perfected security interest in such replacement unit, free and clear from all claims, liens, security interests and other encumbrances except the rights of the Railroad under this Agreement, and that such unit has come under and become subject to this Agreement and all necessary filings and recordings have been made to perfect the interests of the Vendor herein.

So long as no event of default shall have occurred and be continuing, any money paid to the Vendor pursuant to this Article 8 shall, if the Railroad shall in writing so direct, be invested, pending its application as hereinabove provided, in such of the following as may be specified in such written direction: (i) direct obligations of the United States of America or obligations for which the full faith and credit of the United States is pledged to provide for the payment of principal and interest, (ii) open market commercial paper rated A-1 by Standard & Poor's Corporation or prime-1

by NCO/Moody's Commercial Paper Division of Moody's Investors Service, Inc., or the successor of either of them, or (iii) certificates of deposit of domestic commercial banks in the United States of America having total capital and surplus in excess of $100,000,000, in each case maturing in not more than one year from the date of such investment (such investments being herein called "Investments"), but in no event shall any of such Investments be purchased at a premium. Any such obligations shall from time to time be sold and the proceeds reinvested in such Investments as the Railroad may in writing direct. Any interest received by the Vendor on any Investments shall be held by the Vendor and applied as hereinafter provided. Upon any sale or the maturity of any Investments, the proceeds thereof, plus any interest received by the Vendor thereon, up to the cost (including accrued interest) thereof, shall be held by the Vendor for application pursuant to this Article 8, and any excess shall be paid to the Railroad. If such proceeds (plus such interest) shall be less than such cost, the Railroad will promptly pay to the Vendor an amount equal to such deficiency. The Railroad will pay all expenses incurred by the Vendor in connection with the purchase and sale of Investments.

If any unit of the Equipment is removed for repairs other than running repairs or becomes unsuitable or not necessary for continued use by the Railroad in the Railroad's business or operations, such occurrence shall, upon the election of the Railroad evidenced by written notice to the Vendor, constitute a Casualty Occurrence subject to the provisions of this Article 8; provided, however, that the Railroad shall direct any money paid to the Vendor in respect thereof to be applied only toward not more than 80% of the cost of replacement equipment and not to prepay any installment of CSA Indebtedness.

If one or more events of default shall have occurred and be continuing, all money held by the Vendor pursuant to this Article 8 (including, for this purpose, Investments) shall be applied by the Vendor as if such money were money received upon the sale of Equipment pursuant to Article 17 hereof.

In order to facilitate the sale or other disposition of any Equipment suffering a Casualty Occurrence, the Vendor shall, upon request of the Railroad, after payment by the Railroad of a sum equal to the Casualty Value of such Equipment, execute and deliver to the Railroad or the Railroad's vendee, assignee or nominee, a bill of sale (without warranties) for such Equipment, and such other documents as

may be required to release such Equipment from the terms and scope of this Agreement, in such form as may be reasonably requested by the Railroad.

The Railroad will at all times prior to the payment of the full indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon and all other payments required hereby, at its own expense, cause to be carried and maintained insurance in respect of the Equipment at the time subject hereto in amounts and against risks customarily insured against by railroad companies of similar financial condition and having similar operations on similar equipment, and in any event in amounts and against risks comparable to those insured against by the Railroad on similar equipment owned by it.

ARTICLE 9. Maintenance; Compliance with Laws and Rules. The Railroad will at all times maintain the Equipment or cause the Equipment to be maintained in good order and repair at its own expense, normal wear and tear excepted, and eligible (in the case of Equipment other than locomotives and cabooses) for interchange in accordance with the interchange rules of the Association of American Railroads.

During the term of this Agreement, the Railroad will at all times comply in all respects with all laws of the jurisdictions in which its operations involving the Equipment may extend, with the interchange rules of the Association of American Railroads and with all lawful rules of the Department of Transportation, Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Equipment, to the extent that such laws and rules affect the title, operation or use of the Equipment, and in the event that such laws or rules require any alteration or replacement of or addition to any part on any unit of the Equipment, the Railroad will conform therewith, at its own expense; provided, however, that the Railroad may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor under this Agreement.

ARTICLE 10. Reports and Inspections. On or before April 1 in each year, commencing with the year 1981, the Railroad shall furnish to the Vendor an accurate statement signed by an officer of the Railroad (a) setting forth as at the preceding December 31 the amount, description and numbers of all units of the Equipment that have suffered a Casualty Occurrence during the preceding 12 months (or since the date of this Agreement in the case of the first such statement) or

that have been withdrawn from use pending repairs (other than running repairs) and such other information regarding the condition and state of repair of the Equipment as the Vendor may reasonably request and (b) stating that, in the case of all Equipment repaired or repainted during the period covered by such statement, the numbers and markings required by Article 7 hereof have been preserved or replaced. The Vendor shall have the right, by its agents, to inspect the Equipment and the Railroad's records with respect thereto at such reasonable times as the Vendor may reasonably request during the term of this Agreement.

ARTICLE 11. Possession and Use. The Railroad, so long as an event of default shall not have occurred under this Agreement and be continuing, shall be entitled to the possession of the units of Equipment and the use thereof upon the lines of railroad owned or operated by it either alone or jointly with others and whether under lease or otherwise, or upon the lines of railroad owned or operated by any railroad company controlled by, or under common control with, the Railroad, or over which it has trackage rights, or upon connecting and other carriers in the usual interchange of traffic or pursuant to run-through agreements, from and after delivery of such units of Equipment by the Builder of such units to the Railroad, but only upon and subject to all the terms and conditions of this Agreement; provided, however, that the Railroad shall not be entitled to assign the Equipment for service involving the regular operation and maintenance thereof outside of the United States of America except in normal interchange.

ARTICLE 12. Prohibition Against Liens. The Railroad will pay or discharge any and all sums claimed by any party from, through or under the Railroad or its successors or assigns which, if unpaid, might become a lien, charge or security interest on or in the Equipment, or any unit thereof, equal or superior to the Vendor's interest therein; provided, however, that the Railroad shall be under no obligation to pay or discharge any such claim so long as it is contesting in good faith and by appropriate legal proceedings such claim and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor in or to the Equipment or otherwise under this Agreement. Any amounts paid by the Vendor in discharge of liens, charges or security interests upon the Equipment shall be secured by and under this Agreement.

This covenant will not be deemed breached by reason of liens for taxes, assessments or governmental charges or levies, in each case not due and delinquent, or undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or other like liens arising in the ordinary course of business and, in each case, not delinquent.

ARTICLE 13. Railroad's Indemnities. The Railroad agrees to indemnify, protect and hold harmless the Vendor from and against all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including counsel fees, arising out of retention by the Vendor of title to and a security interest in the Equipment, the use and operation thereof by the Railroad during the period when title remains in the Vendor or the transfer of title to the Equipment by the Vendor pursuant to any of the provisions of this Agreement. This covenant of indemnity shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

ARTICLE 14. Patent Indemnities; Each Builder's Warranty of Material and Workmanship. Each Builder's indemnities with respect to patent infringement, its warranty of material and workmanship and the limitations of its liability with regard thereto are set forth in Schedule A hereto.

ARTICLE 15. Assignments. The Railroad will not sell, assign, transfer or otherwise dispose of its rights under this Agreement or, except as provided in Article 11 hereof, transfer the right to possession of any unit of the Equipment without first obtaining the written consent of the Vendor, which consent will not be unreasonably withheld. A sale, assignment, transfer or disposition to a solvent, Class 1 railroad company organized under the laws of the United States of America or any of the states thereof which shall acquire all or substantially all the lines of railroad of the Railroad, and which, by execution of an appropriate instrument satisfactory to the Vendor, shall assume and agree to perform each of, and all, the obligations and covenants of the Railroad under this Agreement, shall not be deemed a breach of this covenant and thereupon, the successor railroad company shall be for all purposes the "Railroad" hereunder.

All or any of the rights, benefits and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Railroad, may be assigned by the Vendor and reassigned by any assignee at any time or from time to time. No such assignment shall subject any assignee to, or relieve any Builder from, any of the obligations of such Builder to construct and deliver the Equipment in accordance with this Agreement or to respond to its warranties and indemnities contained or

referred to in Article 14 hereof, or relieve the Railroad of any of its obligations to such Builder under Articles 2, 3, 4, 5, 13 and 14 hereof, Schedule A hereto and this Article 15 or of any other obligation which, according to its terms or context, is intended to survive an assignment.

Upon any such assignment either the assignor or the assignee shall give written notice to the Railroad, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall by virtue of such assignment acquire all the assignor's right, title and interest in and to the Equipment and this Agreement, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Railroad of the notification of any such assignment, all payments thereafter to be made by the Railroad under this Agreement to the Vendor shall, to the extent so assigned, be made to the assignee in such manner as it may direct.

The Railroad recognizes that it is the custom of railroad equipment manufacturers to assign conditional sale agreements and understands that the assignment of this Agreement, or of some of or all the rights of the Vendor hereunder, is contemplated. The Railroad expressly represents, for the purpose of assurance to any person, firm or corporation considering the acquisition of this Agreement or of all or any of the rights of the Vendor hereunder and for the purposes of inducing such acquisition, that in the event of such assignment by the Vendor as hereinbefore provided, the rights of such assignee to the entire unpaid indebtedness in respect of the Purchase Price or such part thereof as may be assigned, together with interest thereon, as well as any other rights hereunder which may be so assigned, shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever arising out of any breach of any obligation of a Builder with respect to the Equipment of such Builder or the manufacture, construction, delivery or warranty thereof, or with respect to any indemnity herein contained, nor subject to any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by a Builder. Any and all such obligations, howsoever arising, shall be and remain enforceable by the Railroad against and only against the respective Builders.

The Railroad will (a) in connection with each settlement for the Equipment subsequent to such assignment, deliver to the assignee, at least five business days prior to the Clos-

ing Date for the Group fixed in the notice thereof given by the Railroad, all documents required by the terms of such assignment to be delivered to such assignee in connection with such settlement, in such number of counterparts or copies as may reasonably be requested, and (b) furnish to such assignee such number of counterparts of any other certificate or document required by the Vendor as may reasonably be requested.

If this Agreement shall have been assigned by the Builders and the assignee shall not make payment to a Builder with respect to units of the Equipment of such Builder as provided in the instrument making such assignment, such Builder will promptly notify the Railroad of such event and, if such amount shall not have been previously paid by such assignee, the Railroad will, not later than 60 days after the date such payment was due, pay or cause to be paid to such Builder the aggregate unpaid Purchase Price of such units of Equipment, together with interest from the day such payment was due to the date of payment by the Railroad at the highest prime rate of interest charged by any of the four New York City banks having the largest total assets in effect on the date such payment was due.

ARTICLE 16. Defaults. In the event that any one or more of the following events of default shall occur and be continuing, to wit:

(a) the Railroad shall fail to pay in full any indebtedness in respect of the Purchase Price of the Equipment or any other sum payable by the Railroad as provided in this Agreement within five days after payment thereof shall be due hereunder; or

(b) the Railroad shall, for more than 15 days after the Vendor shall have demanded in writing performance thereof, fail or refuse to comply with any covenant, agreement, term or provision of this Agreement, or of any agreement entered into concurrently herewith relating to the financing of the Equipment on its part to be kept or performed or to make provision satisfactory to the Vendor for such compliance; or

(c) a petition for reorganization under the Federal Bankruptcy Act or under any other provision of Title 11 of the United States Code, as now constituted or hereafter amended, shall be filed by or against the Railroad and, unless such petition shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only

so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been (and shall not continue to be) duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed in such proceedings in such manner that such obligations shall have the same status as expenses of administration and obligations incurred by such trustee or trustees, within 60 days after the filing of such petition, or in accordance with the provisions of 11 U.S.C. § 1168; or

(d) any proceeding shall be commenced by or against the Railroad for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustment of the obligations hereunder), and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Railroad under this Agreement shall not have been (and shall not continue to be) duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed for the Railroad or for its property in connection with any such proceedings in such manner that such obligations have the same status as expenses of administration and obligations incurred by such trustee or trustees or receiver or receivers, within 60 days after such proceedings shall have been commenced, or in accordance with the provisions of 11 U.S.C. § 1168; or

(e) the Railroad shall make or suffer any unauthorized assignment or transfer of this Agreement or any interest herein or any unauthorized transfer of the right to possession of any unit of the Equipment; or

(f) an event of default shall occur under the Other Agreement (defined in Item 4 of Schedule A hereto);

then at any time after the occurrence of such an event of default the Vendor may, upon written notice to the Railroad and upon compliance with any mandatory legal requirements then in force and applicable to such action by the Vendor,

declare (hereinafter called a "Declaration of Default") the entire indebtedness in respect of the Purchase Price of the Equipment, together with the interest thereon then accrued and unpaid, immediately due and payable, without further demand, and thereafter the aggregate of the unpaid balance of such indebtedness and interest shall bear interest from the date of such Declaration of Default at the rate per annum specified in Article 4 hereof as being applicable to amounts remaining unpaid after becoming due and payable, to the extent legally enforceable. The Vendor shall thereupon be entitled to recover judgment for the entire unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment so payable, with interest as aforesaid, and to collect such judgment out of any property of the Railroad wherever situated. The Railroad shall promptly notify the Vendor in writing of any event which has come to its attention which constitutes, or which with the giving of notice and/or lapse of time could constitute, an event of default under this Agreement and of what action, if any, the Railroad has taken or proposes to take to remedy such event of default or event.

The Vendor may at its election waive any such event of default and its consequences and rescind and annul any Declaration of Default by notice to the Railroad in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such event of default had occurred and no Declaration of Default had been made. Notwithstanding the provisions of this paragraph, it is expressly understood and agreed by the Railroad that time is of the essence of this Agreement and that no such waiver, rescission or annulment shall extend to or affect any other or subsequent default or impair any rights or remedies consequent thereon.

ARTICLE 17. Remedies. At any time during the continuance of a Declaration of Default, the Vendor may, subject to compliance with any mandatory legal requirements then in force and applicable to the action to be taken by the Vendor, take or cause to be taken by its agent or agents immediate possession of the Equipment, or one or more of the units thereof, without liability to return to the Railroad any sums theretofore paid and free from all claims whatsoever, except as hereinafter in this Article 17 expressly provided, and may remove the same from possession and use of the Railroad or

any other person and for such purpose may enter upon the Railroad's premises or any other premises where the Equipment may be located (without judicial process if this can be done without breach of the peace) and may use and employ in connection with such removal any supplies, services and aids and any available trackage and other facilities or means of the Railroad.

In case the Vendor shall demand possession of the Equipment pursuant to this Agreement and shall reasonably designate a point or points upon the premises of the Railroad for the delivery of the Equipment to the Vendor, the Railroad shall, at its own expense, forthwith and in the usual manner (including, but not by way of limitation, giving prompt telegraphic and written notice to the Association of American Railroads and all railroads to which any part of the Equipment has been interchanged to return the Equipment so interchanged), cause (a) the Equipment to be moved to such point or points on its lines as shall be designated by the Vendor and shall there deliver the Equipment or cause it to be delivered to the Vendor and (b) the Equipment to be moved to such interchange point or points of the Railroad as shall be designated by the Vendor upon any sale, lease or other disposal of all or any part of the Equipment by the Vendor. At the option of the Vendor, the Vendor may keep the Equipment on any of the lines or premises of the Railroad until the Vendor shall have leased, sold or otherwise disposed of the same, and for such purpose the Railroad agrees to furnish, without charge for rent, storage or insurance (which the Railroad agrees to maintain as herein provided), the necessary facilities at any point or points selected by the Vendor reasonably convenient to the Railroad, to provide proper maintenance for the Equipment during such storage and to permit inspection of the Equipment by the Vendor, the Vendor's representatives and prospective purchasers and users. This agreement to deliver the Equipment and furnish facilities as hereinbefore provided is of the essence of the agreement between the parties, and, upon application to any court of equity having jurisdiction in the premises, the Vendor shall be entitled to a decree against the Railroad requiring specific performance hereof. The Railroad hereby expressly waives any and all claims against the Vendor and its agent or agents for damages of whatever nature in connection with any retaking of any unit of the Equipment in any reasonable manner.

At any time during the continuance of a Declaration of Default, the Vendor (after retaking possession of the

Equipment as hereinbefore in this Article 17 provided) may at its election and upon such notice as is hereinafter set forth retain the Equipment in satisfaction of the entire indebtedness in respect of the Purchase Price of the Equipment and make such disposition thereof as the Vendor shall deem fit. Written notice of the Vendor's election to retain the Equipment shall be given to the Railroad by telegram or registered mail, addressed as provided in Article 21 hereof, and to any other persons to whom the law may require notice, within 30 days after such Declaration of Default. In the event that the Vendor should elect to retain the Equipment and no objection is made thereto within the 30-day period described in the second proviso below, all the Railroad's rights in the Equipment shall thereupon terminate and all payments made by the Railroad may be retained by the Vendor as compensation for the use of the Equipment by the Railroad; provided, however, that if the Railroad, before the expiration of the 30-day period described in the proviso below, should pay or cause to be paid to the Vendor the total unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement as well as expenses of the Vendor in retaking possession of, removing, maintaining and storing the Equipment and the Vendor's reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad; provided, further, that if the Railroad or any other person notified under the terms of this paragraph objects in writing to the Vendor within 30 days from the receipt of notice of the Vendor's election to retain the Equipment, then the Vendor may not so retain the Equipment, but shall sell, lease or otherwise dispose of it or continue to hold it pending sale, lease or other disposition as hereinafter provided or as may otherwise be permitted by law. If the Vendor shall have given no notice to retain as hereinabove provided or notice of intention to dispose of the Equipment in any other manner, it shall be deemed to have elected to sell the Equipment in accordance with the provisions of this Article 17.

At any time during the continuance of a Declaration of Default, the Vendor, with or without retaking possession thereof, at its election and upon reasonable notice to the Railroad and to any other persons to whom the law may require notice of the time and place, may sell the Equipment, or any unit thereof, free from any and all claims of the Railroad or any other party claiming from, through or under the Railroad,

at law or in equity, at public or private sale and with or without advertisement as the Vendor may determine; provided, however, that if, prior to such sale and prior to the making of a contract for such sale, the Railroad should tender full payment of the total unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment, together with interest thereon accrued and unpaid and all other payments due under this Agreement as well as expenses of the Vendor in retaking possession of, removing, storing, maintaining, holding and preparing the Equipment for, and otherwise arranging for, the sale and the Vendor's reasonable attorneys' fees, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Railroad. The proceeds of such sale, less the attorneys' fees and any other expenses incurred by the Vendor in retaking possession of, removing, storing, maintaining, holding, preparing for sale and selling the Equipment, shall be credited on the amount due to the Vendor under the provisions of this Agreement.

Any sale hereunder may be held or conducted at such place or places and at such time or times as the Vendor may specify, in one lot and as an entirety or in separate lots and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner as the Vendor may determine. The Vendor or the Railroad may bid for and become the purchaser of the Equipment, or any unit thereof, so offered for sale. The Railroad shall be given written notice of such sale not less than 10 days prior thereto, by telegram or registered mail addressed to the Railroad as provided in Article 21 hereof. If such sale shall be a private sale (which shall be deemed to mean only a sale where an advertisement for bids has not been published in a newspaper of general circulation or a sale where less than 40 railroads have been solicited in writing to submit bids), it shall be subject to the right of the Railroad to purchase or provide a purchaser, within 10 days after notice of the proposed sale price, at the same price offered by the intending purchaser or a better price. In the event that the Vendor shall be the purchaser of the Equipment, it shall not be accountable to the Railroad (except to the extent of surplus money received as hereinafter provided in this Article 17), and in payment of the purchase price therefor the Vendor shall be entitled to have credited on account thereof all or any part of the sums due to the Vendor from the Railroad hereunder.

Each and every power and remedy hereby specifically given to the Vendor shall be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Vendor. All such powers and remedies shall be cumulative, and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Vendor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder shall impair any such power or remedy or shall be construed to be a waiver of any default or an acquiescence therein. Any extension of time for payment hereunder or other indulgence duly granted to the Railroad shall not otherwise alter or affect the Vendor's rights or the Railroad's obligations hereunder. The Vendor's acceptance of any payment after it shall have become due hereunder shall not be deemed to alter or affect the Railroad's obligations or the Vendor's rights hereunder with respect to any subsequent payments or default therein.

If, after applying all sums of money realized by the Vendor under the remedies herein provided, there shall remain any amount due to it under the provisions of this Agreement, the Railroad shall pay the amount of such deficiency to the Vendor upon demand, together with interest from the date of such demand to the date of payment by the Railroad at the rate per annum set forth in Article 4 hereof applicable to amounts remaining unpaid after becoming due and payable. If the Railroad shall fail to pay such deficiency, the Vendor may bring suit therefor and shall be entitled to recover a judgment therefor against the Railroad. If, after applying as aforesaid all sums realized by the Vendor, there shall remain a surplus in the possession of the Vendor, such surplus shall be paid to the Railroad.

The Railroad will pay all reasonable expenses, including attorneys' fees, incurred by the Vendor in enforcing its remedies under the terms of this Agreement. In the event that the Vendor shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Vendor may recover reasonable expenses, including attorneys' fees, and the amount thereof shall be included in such judgment.

The foregoing provisions of this Article 17 are subject in all respects to all mandatory legal requirements at the time in force and applicable thereto.

ARTICLE 18. Applicable State Laws. Any provision of this Agreement prohibited by any applicable law of any jurisdiction shall as to such jurisdiction be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby waived by the Railroad to the full extent permitted by law, it being the intention of the parties hereto that this Agreement shall be deemed to be a conditional sale and enforced as such.

Except as otherwise provided in this Agreement, the Railroad, to the full extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of or to sell or lease the Equipment or any unit thereof, and any other requirements as to the time, place and terms of the sale or lease thereof, any other requirements with respect to the enforcement of the Vendor's rights under this Agreement and any and all rights of redemption.

ARTICLE 19. Recording. The Railroad will cause this Agreement, any assignments hereof and any amendments or supplements hereto or thereto to be filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303; and the Railroad will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, deposit and record any and all further instruments required by law or reasonably requested by the Vendor for the purpose of proper protection, to the satisfaction of counsel for the Vendor, of its interest in the Equipment and its rights under this Agreement or for the purpose of carrying out the intention of this Agreement; and the Railroad will promptly furnish to the Vendor certificates or other evidence of such filing, registering, depositing and recording satisfactory to the Vendor.

ARTICLE 20. Payment of Expenses. The Railroad will pay all reasonable costs and expenses (other than the fees and expenses of counsel for the Builders) incident to this Agreement and the first assignment of this Agreement (including the fees and expenses of an agent, if the first assignee is an agent), and any instrument supplemental or related hereto or thereto, including all fees and expenses of Messrs. Cravath, Swaine & Moore, special counsel for the first assignee of this Agreement and for any party acquiring interests in such first assignment, and all reasonable costs

and expenses in connection with the transfer by any party of interests acquired in such first assignment, but excluding all fees and expenses of any other counsel for such parties.

ARTICLE 21. Notice. Any notice hereunder to any of the parties designated below shall be deemed to be properly served if delivered or mailed to it at its chief place of business at the following specified addresses:

(a) to the Railroad, at 210 North 13th Street, St. Louis, Missouri 63103, Attention of C. J. Maurer, Treasurer;

(b) to a Builder, at its address specified in Item 1 of Schedule A hereto; and

(c) to any assignee of the Vendor or of the Railroad, at such address as may have been furnished in writing to each of the other parties hereto by such assignee;

or at such other address as may have been furnished in writing by such party to the other parties to this Agreement.

ARTICLE 22. Article Headings; Effect and Modification of Agreement. All article headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

This Agreement, including the Schedules hereto, exclusively states the rights of the Vendor and the Railroad with respect to the Equipment and supersedes all other agreements, oral or written, with respect to the Equipment. No variation or modification of this Agreement and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Vendor and the Railroad.

ARTICLE 23. Law Governing. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the State of Missouri; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303 and such additional rights arising out of the filing, recording or deposit hereof, if any, and of any assignment hereof as shall be conferred by the laws of the several jurisdictions in which this Agreement

or any assignment hereof shall be filed, recorded or deposited, or in which any unit of the Equipment shall be located, and any rights arising out of the marking of the units of Equipment as provided in Article 7 hereof.

ARTICLE 24. Execution. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart. It shall not be necessary that any counterpart be signed by all the parties. Each Builder shall be bound hereunder notwithstanding the failure of any other Builder to execute and deliver this Agreement or to perform its obligations hereunder. Although this Agreement is dated, for convenience, as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by their officers or other persons, thereunto duly authorized, and their respective corporate seals to be hereunto affixed, duly attested, all as of the date first above written.

MISSOURI PACIFIC RAILROAD COMPANY,

by

M. M. Hennelley
Vice President

[Corporate Seal]

Attest:

W. J. Herold
Assistant Secretary

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

by

P. K. Hoglund
Vice President

[Corporate Seal]

Attest:

W. J. Scott
Assistant Secretary

GENERAL ELECTRIC COMPANY,

by M. S. Richardson
General Manager-Locomotive Operations

[Corporate Seal]

Attest:

J. T. Hughes
Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by R. K. Smith
Vice President

[Corporate Seal]

Attest:

M. Hemphill, Jr.
Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by Walter A. Dahl
Vice President

[Corporate Seal]

Attest:

R. W. Polster
~~Assistant~~ Secretary

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this 11th day of April 1980, before me personally appeared M. M. Hennelley , to me personally known, who, being by me duly sworn, says that he is a Vice President of MISSOURI PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Joann Sanders
Notary Public

[Notarial Seal]

My Commission expires
9/10/82

Joann Sanders
Notary Public, State of Missiouri
My Commission Expires Sept. 10, 1982
City of St. Louis

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 8th day of April 1980, before me personally appeared P. K. Hoglund , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (ELECTRO-MOTIVE DIVISION), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

T. K. Piorecki
Notary Public

[Notarial Seal]

My Commission expires

September 18, 1983

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this 9th day of April 1980, before me personally appeared M. S. Richardson , to me personally known, who, being by me duly sworn, says that he is a General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

Judy Crandall
Notary Public
Judy Crandall, Notary Public
Lawrence Park Twp., Erie County
Pennsylvania
My Commission Expires Jan. 16, 1984

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this 10thday of April 1980, before me personally appeared R. K. Smith , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

Evelyn S. Weeks
Notary Public
My Commission Expires
City of Bethlehem
Lehigh County
October 13, 1982

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this 14th day of April 1980, before me personally appeared W. A. Dahl , to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Notarial Seal]

L. W. Moffett
Notary Public

L.W. Moffett, Notary Public
City of Washington, District of Columbia
My Commission Expires October 14, 1982

My Commission expires

Oct. 14, 1982

SCHEDULE A

to

Conditional Sale Agreement
Dated as of March 1, 1980

Item 1: (a) General Motors Corporation (Electro-Motive Division), a Delaware corporation La Grange, Illinois 60525.

(b) General Electric Company, a New York corporation, 2901 East Lake Road, Erie Pennsylvania 16531.

(c) Bethlehem Steel Corporation, a Delaware corporation, Bethlehem, Pennsylvania 18016, attention of Manager of Railroad Products Sales.

(d) Fruit Growers Express Company, a Delaware corporation, 1101 Vermont Avenue, N.W., Washington, D.C. 20005, attention of the President.

Item 2: [Warranty of Materials and Workmanship] (a) General Motors Corporation (Electro-Motive Division) ("GM") warrants that its Equipment is of the kind and quality described in, or will be built in accordance with, the Specifications therefor referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and is suitable for the ordinary purposes for which such Equipment is used and warrants each unit of its Equipment to be free from defects in material and workmanship which may develop under normal use and service within two years from date of delivery of such unit or before such unit has been operated 250,000 miles, whichever event shall first occur. GM agrees to correct such defects, which examination shall disclose to its satisfaction to be defective, by repair or replacement F.O.B. factory and such correction shall constitute fulfillment of its obligation with respect to such defect under this warranty.

GM warrants specialties not of its own specification or design to the same extent that the suppliers of such specialties warrant such items to GM.

THERE ARE NO WARRANTIES WITH RESPECT TO MATE-

RIAL AND WORKMANSHIP, EXPRESSED OR IMPLIED, MADE BY GM EXCEPT THE WARRANTIES SET OUT ABOVE.

GM further agrees with the railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of the Equipment as provided in said Article 3 shall be deemed a waiver or modification by the Railroad of any of its rights under this Item 2(a).

(b) General Electric Company ("GE") warrants to the Railroad that each unit of Equipment manufactured by it hereunder will be free from defects in material, workmanship and title under normal use and service, and will be of the kind and quality designated or described in the Specifications referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement"). The foregoing warranty is exclusive and in lieu of all other warranties, whether written, oral, implied or statutory (except as to title). NO WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR PURPOSE SHALL APPLY. If it appears within two years from the date of shipment by GE, or within 250,000 miles of operation, whichever event shall first occur, that the Equipment delivered by GE under the Agreement does not meet the warranties specified above, and the Railroad notifies GE promptly, GE, after verification as to condition and usage, shall correct any defect including nonconformance with the Specifications, at its option, either by repairing any defective part or parts made available to GE, or by making available at GE's plant or warehouse a repaired or replacement part. If requested by GE, the Railroad will ship the defective part or parts, with shipping charges prepaid, to the plant or warehouse designated by GE. The foregoing shall constitute the sole remedy of the Railroad and the sole liability of GE in respect of the foregoing.

The liability of GE to the Railroad hereunder (except as to title) arising out of the supplying of any unit of its Equipment or its use, whether on warranty, contract or negligence, shall not in any case exceed the cost of correcting defects in its Equipment as herein provided, and upon the expira-

tion of the warranty period specified above, all such liability shall terminate. GE shall have no liability for any unit of its Equipment or part thereof which becomes defective by reason of improper storage or application, misuse, negligence, accident or improper operation, maintenance, repairs or alterations on the part of the Railroad, or any third party other than GE. In no event, whether as a result of breach of contract, warranty, tort (including negligence) or otherwise, shall GE or its suppliers be liable for any special, consequential, incidental or penal damages including, but not limited to, loss of profits or revenues, loss of the use of its Equipment or any associated equipment, damage to the associated equipment, cost of capital, cost of substitute products, facilities, services or replacements, downtime costs or claims of customers of the Railroad for such damages.

It is understood that GE has the right to make any changes in design and add improvements to equipment at any time without incurring any obligations to install, at GE's expense, the same on other equipment sold by GE.

THERE ARE NO WARRANTIES WITH RESPECT TO MATERIAL AND WORKMANSHIP, EXPRESSED OR IMPLIED, MADE BY GE EXCEPT THE WARRANTIES SET OUT ABOVE.

(c) Bethlehem Steel Corporation ("Bethlehem") warrants that its Equipment will be built in accordance with the Specifications and the standards and requirements set forth in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and warrants its Equipment will be free from defects in material (except as to specialties incorporated therein specified or supplied by the Railroad and not manufactured by Bethlehem) and workmanship under normal use and service, Bethlehem's obligation under this item 2(c) being limited to making good at its plant any part or parts of any unit of its Equipment which shall, within one year after the delivery of such unit to the Railroad, be returned to Bethlehem with transportation charges prepaid and which Bethlehem's examination shall disclose to its satisfaction to have been thus

defective.

The foregoing warranty of Bethlehem is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose, and Bethlehem neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment, except for the patent indemnification included in Item 3 of this Schedule A to the Agreement as aforesaid. It is further understood that in no event shall Bethlehem be liable for indirect or consequential damages of any kind.

Bethlehem further agrees with the Railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of its Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 2(c).

(d) Fruit Growers Express Company ("Fruit Growers") warrants that its Equiment will be built in accordance with the Specifications and the standards and requirements referred to in Article 2 of the Agreement to which this Schedule A is attached (the "Agreement") and warrants its Equipment will be free from defects in material (except as to specialties incorporated therein and workmanship with respect thereto specified by the Railroad and not manufactured by Fruit Growers) and workmanship under normal use and service. Fruit Growers' liability under this Item 3(d) is limited to repair or replacement at its plant of any part or parts of any unit of its Equipment which shall, within one year after the delivery of such unit of its Equipment to the Railroad (or, in the case of patent defects, within 10 days after delivery), be returned to Fruit Growers with transportation charges prepaid and which examination by Fruit Growers shall disclose to its satisfaction to have been thus defective. Any unit of its Equipment repaired, replaced or altered outside of Fruit Growers' plant, the repair, replacement or alteration of which in Fruit Growers' judgment has adversely affected in any way the strength

and performance of such unit of its Equipment, is removed from this warranty. In no event shall Fruit Growers be liable to anyone for any incidental, special or consequential damages of any kind. The foregoing waranty is expressly in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability of fitness for a particular purpose, and Fruit Growers neither assumes nor authorizes any person to assume for it any other liability in connection with the construction and delivery of its Equipment, except for the patent indemnification included in Item 3 of this Schedule A to the Agreement.

Fruit Growers further agrees with the Railroad that neither the inspection as provided in Article 3 of the Agreement, nor any examination, nor the acceptance of any units of its Equipment as provided in said Article 3 shall be deemed a waiver or a modification by the Railroad of any of its rights under this Item 3(d).

Item 3: [Patent Indemnities] GM, GE, Bethlehem and Fruit Growers each severally agrees as follows:

Except in cases of articles or materials specified by the Railroad and not manufactured by such Builder and in cases of designs, systems, processes, formulae or combinations specified by the Railroad and not developed or purported to be developed by such Builder, each Builder agrees to indemnify, protect and hold harmless the Railroad from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Railroad, its assigns or the users of the Equipment of such Builder because of the use in or about the construction or operation of any of such Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Railroad likewise will indemnify, protect and hold harmless the Vendor from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against

the Vendor because of the use in or about the construction or operation of any of the Equipment of any article or material specified by the Railroad and not manufactured by the Builder of such Equipment or of any design, system, process, formula or combination specified by the Railroad and not developed or purported to be developed by such Builder which infringes or is claimed to infringe on any patent or other rights. Each Builder agrees to and hereby does, to the extent legally possible without impairing any claim, right or cause of action hereinafter referred to, assign, set over and deliver to the Railroad every claim, right and cause of action which such Builder has or hereafter shall have against the seller or sellers of any designs, systems, processes, formulae, combination, articles or materials specified by the Railroad and purchased or otherwise acquired by such Builder for use in or about the construction or operation of any of the Equipment of such Builder on the ground that any such design, system, process, formula, combination, article or material or operation thereof infringes or is claimed to infringe on any patent or other right. Each Builder further agrees to execute and deliver to the Railroad or the users of the Equipment of such Builder all and every such further assurance as may be reasonably requested by the Railroad more fully to effectuate the assignment and delivery of every such claim, right and cause of action. Each Builder will give notice to the Railroad of any claim known to such Builder from which liability may be charged against the Railroad hereunder and the Railroad will give notice to such Builder of any claim known to the Railroad from which liability may be charged against the Builder hereunder. Such covenants of indemnity shall continue in full force and effect notwithstanding the full payment of all sums due under this Agreement, or the satisfaction, discharge or termination of this Agreement in any manner whatsoever.

Item 4: The Construction and Conditional Sale Agreement dated as of March 1, 1980, between the Railroad and the Agent (the "Other Agreement").

SCHEDULE B

Builder	Type	AAR Mechanical Designation	Builder's Specifications	Builder's Plant	Quantity	Unit Base Price	Total Base Price	Road Numbers (Inclusive)	Estimated Time of Delivery at Builder's Plant
General Motors Corporation (Electro-Motive Division)	SD-40-2 3,000 h.p. diesel electric loco-motives	CC	8087	McCook, Illinois	10	$698,237	$6,982,730	MP 3312-3321	April 1980
General Motors Corporation (Electro-Motive Division)	SD-40-2C 3,000 h.p. diesel electric loco-motives	CC	8087	McCook, Illinois	20	743,423	14,868,460	MP 6054-6073	April 1980
General Motors Corporation (Electro-Motive Division)	GP-38-2 2,000 h.p. diesel electric loco-motives	BB	8090	McCook, Illinois	5	582,233	2,911,165	MP 2198-2202	July 1980
General Electric Company	B-23-7 2,250 h.p. diesel electric loco-motives	BB	3530-D	Erie, Pa.	20	589,514	11,790,280	MP 4650-4669	April-June 1980

SCHEDULE B (Cont'd)

Builder	Type	AAR Mechanical Designation	Builder's Specifications	Builder's Plant	Quantity	Unit Base Price	Total Base Price	Road Numbers (Inclusive)	Estimated Time of Delivery at Builder's Plant
Bethlehem Steel Corporation	100-ton Open-top quad hopper cars	HT	DF 3400-520	Johns-town, Pa.	500	$41,109	$20,554,500	MP 582500-582999	May-July 1980
Fruit Growers Express Company	100-ton box cars	XP	S-467	Alexandria, Va.	28	76,400	2,139,200	MP 269431-269458	July 1980
					Total		$59,246,335		

EXHIBIT B

AGREEMENT AND ASSIGNMENT, dated as of March 1, 1980, between MERCANTILE TRUST COMPANY, N.A., acting as Agent under a Finance Agreement dated as of the date hereof (the "Finance Agreement") (said Agent, so acting, being hereinafter called the "Assignee"), and each of GENERAL MOTORS CORPORATION (Electro-Motive Division), GENERAL ELECTRIC COMPANY, BETHLEHEM STEEL CORPORATION and FRUIT GROWERS EXPRESS COMPANY (hereinafter called collectively the "Builders" or severally the "Builder").

The Builders and Missouri Pacific Railroad Company (the "Railroad") have entered into a Conditional Sale Agreement dated as of the date hereof (the "CSA") covering the construction, sale and delivery, on the conditions therein set forth, by the Builders, severally, and the purchase by the Railroad of the railroad equipment described in Schedule B to the CSA (said equipment being hereinafter called the "Equipment" and the Equipment constructed, sold and delivered by each Builder being hereinafter sometimes called "such Builder's Equipment" or "its Equipment").

NOW, THEREFORE, THIS AGREEMENT AND ASSIGNMENT WITNESSETH: That, in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration paid by the Assignee to each Builder, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained:

SECTION 1. Each Builder hereby assigns, transfers and sets over unto the Assignee, its successors and assigns:

(a) all the right, title and interest of such Builder in and to each unit of its Equipment when and as severally delivered to and accepted by the Railroad, subject to payment by the Assignee to such Builder of the amount required to be paid to such Builder under Section 4 hereof;

(b) all the right, title and interest of such Builder in and to the CSA (except the right to construct and deliver such Builder's Equipment and the right to receive the payments specified in the third paragraph

of Article 3 thereof, in subparagraph (a) of the fourth paragraph of Article 4 thereof, and in the last paragraph of Article 15 thereof and reimbursements for taxes paid or incurred by such Builder as provided in Article 5 thereof), and in and to any and all amounts which may be or become due or owing by the Railroad to such Builder under the CSA in respect of the Purchase Price (as defined in the CSA) of the Equipment and interest thereon, and in and to any other sums becoming due from the Railroad under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) hereof, all such Builder's rights, powers, privileges and remedies under the CSA;

without any recourse against such Builder for or on account of the failure of the Railroad to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify, the liability of such Builder to construct and deliver its Equipment in accordance with the CSA or with respect to its obligations contained or referred to in Article 14 of the CSA, or relieve the Railroad from its obligations to such Builder contained or referred to in Articles 2, 3, 4, 5, 13, 14 and 15 of the CSA, it being understood and agreed that, notwithstanding this Assignment, or any subsequent assignment pursuant to the provisions of Article 15 of the CSA all obligations of such Builder to the Railroad with respect to such Builder's Equipment shall be and remain enforceable by the Railroad, its successors and assigns, against and only against such Builder. In furtherance of the foregoing assignment and transfer, each Builder hereby authorizes and empowers the Assignee, in the Assignee's own name or in the name of the Assignee's nominee, or in the name of and as attorney hereby irrevocably constituted for such Builder, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Assignee is or may become entitled under this Assignment and to ask, demand, sue for and enforce compliance by the Railroad with the terms and agreements on its part to be performed under the CSA, but at the expense and liability and for the sole benefit of the Assignee.

SECTION 2. Each Builder agrees that it shall construct its Equipment in full accordance with the CSA and

will deliver the same upon completion to the Railroad in accordance with the provisions of the CSA; and that, notwithstanding this Assignment, it will perform and fully comply with each of and all the covenants and conditions of the CSA set forth to be performed and complied with by such Builder. Each Builder further agrees that it will warrant to the Assignee and the Railroad that at the time of delivery of each unit of the Equipment of such Builder under the CSA it had legal title to such unit and good and lawful right to sell such unit and that title to such unit was free of all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment); and each Builder further agrees that it will defend the title to each unit of its Equipment against the demands of all persons whomsoever based on claims originating prior to the delivery of such unit by such Builder under the CSA; all subject, however, to the provisions of the CSA and the rights of the Railroad thereunder. No Builder will deliver any of its Equipment to the Railroad under the CSA until the filings and recordations referred to in Article 19 of the CSA have been effected (the respective Builders and their counsel being entitled to rely on advice from special counsel for the Assignee that such filings and recordations have been effected).

SECTION 3. Each Builder agrees with the Assignee that in any suit, proceeding or action brought by the Assignee under the CSA for any installment of, or interest on, indebtedness in respect of the Purchase Price of its Equipment or to enforce any provision of the CSA, such Builder will indemnify, protect and hold harmless the Assignee from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever of the Railroad arising out of a breach by such Builder of any obligation with respect to the Equipment of such Builder or the manufacture, construction, delivery or warranty thereof, or by reason of any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Railroad by such Builder. Each Builder's obligation so to indemnify, protect and hold harmless the Assignee is conditional upon (a) the Assignee's timely motion or other appropriate action, on the basis of Article 15 of the CSA, to strike any defense, setoff, counterclaim or recoupment asserted by the Railroad in any such suit, proceeding or action and (b) if the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and accepts such defense, setoff, counterclaim or recoupment as a triable issue in such suit,

proceeding or action, the Assignee's prompt notification to such Builder of the asserted defense, setoff, counterclaim or recoupment and the Assignee's giving such Builder the right, at such Builder's expense, to compromise, settle or defend against such defense, setoff, counterclaim or recoupment.

Except in cases of articles or materials specified by the Railroad and not manufactured by such Builder and in cases of designs, systems, processes, formulae or combinations specified by the Railroad and not developed or purported to be developed by such Builder, each Builder agrees, except as otherwise specifically provided in the CSA, to indemnify, protect and hold harmless the Assignee from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Assignee or its assigns because of the use in or about the construction or operation of any of its Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Assignee will give prompt notice to the appropriate Builder of any such liability or claim actually known to the Assignee and will give such Builder the right, at such Builder's expense, to compromise, settle or defend against such claim. Each Builder agrees that any amounts payable to it by the Railroad with respect to its Equipment, whether pursuant to the CSA or otherwise, not hereby assigned to the Assignee, and amounts payable to the Builder pursuant to supplemental invoices shall not be secured by any lien, charge or security interest upon the Equipment of such Builder or any unit thereof.

SECTION 4. The Assignee, on each Closing Date fixed as provided in Article 4 of the CSA with respect to a Group (as defined in said Article 4) of the Equipment, shall pay to the Builder whose Equipment shall be included in such Group and to each Builder which shall submit a supplemental invoice for settlement on such Closing Date as contemplated in Article 4 of the CSA an amount equal to the portion of the Purchase Price of such Builder's Equipment as shown on the invoice therefor then being settled for which, under the terms of said Article 4, is payable in installments, provided that there shall have been delivered to the Assignee, as provided in Article 15 of the CSA, at least five business days (as defined in said Article 4) prior to such Closing Date, the following documents, in form and scope satisfactory to it and to its special counsel hereinafter mentioned, in

such number of counterparts as may be reasonably requested by said special counsel:

(a) a bill of sale from such Builder to the Assignee confirming the transfer to the Assignee of all right, title and interest of such Builder in such Builder's Equipment in such Group, warranting to the Assignee and to the Railroad that at the time of delivery of such units under the CSA such Builder had legal title to such units and good and lawful right to sell such units and that such units were free of all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment), and covenanting to defend the title to such units against the demands of all persons whomsoever based on claims originating prior to the delivery of such units by such Builder under the CSA;

(b) a Certificate or Certificates of Acceptance with respect to the units of such Builder's Equipment in such Group as contemplated by Article 3 of the CSA;

(c) an invoice of such Builder for the units of such Builder's Equipment in such Group and any supplemental invoice for which settlement is then being made, in each case accompanied by or having endorsed thereon a certification by the Railroad as to the correctness of the prices stated therein;

(d) an opinion of Messrs. Cravath, Swaine & Moore, who are acting as special counsel for the Assignee and the Investors named in the Finance Agreement, dated as of such Closing Date, to the effect that (i) the Finance Agreement, assuming due authorization, execution and delivery by such Investors, has been duly authorized, executed and delivered and is a legal, valid, binding and enforceable instrument, (ii) the CSA has been duly authorized, executed and delivered by the Railroad and such Builder and is a legal, valid and binding instrument, enforceable in accordance with its terms, (iii) this Assignment has been duly authorized, executed and delivered by such Builder and is a legal, valid, binding and enforceable instrument, (iv) the Assignee is vested with all the rights, titles, interests, powers and privileges purported to be assigned to it by this Assignment, (v) the Assignee has title to and a valid and perfected security interest in the units of the Equipment in such Group and such units, at the time of delivery thereof to the Rail-

road under the CSA, were free from all claims, liens, security interests and other encumbrances (other than those created by the CSA), (vi) no approval of the Interstate Commerce Commission or any other governmental authority is necessary for the valid execution and delivery of the Finance Agreement, the CSA, this Assignment or the Railroad's Consent hereto, (vii) the CSA and this Assignment have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 and no other filing or recordation is necessary for the protection of the rights of the Assignee in any state of the United States of America or in the District of Columbia and (viii) registration of the CSA, this Assignment or any certificates of interest delivered pursuant to the Finance Agreement is not required under the Securities Act of 1933, as amended, and qualification of an indenture with respect thereto is not required under the Trust Indenture Act of 1939, as amended; such opinion shall also state that said counsel have examined the opinions being delivered on such Closing Date pursuant to subparagraphs (e) and (f) of this Section 4, that such opinions are satisfactory in form and scope to said counsel and that said counsel believe that the Assignee and Investors are justified in relying thereon; and such opinion shall also cover such other matters including the applicability of 11 U.S.C. § 1168 to the Equipment and any substitutes thereof, as may reasonably be requested by the Assignee or any such Investor;

(e) an opinion of counsel for the Railroad, dated as of such Closing Date, to the effect set forth in clauses (i), (ii), (v), (vi) and (vii) of subparagraph (d) above (said counsel, in rendering such opinion, being permitted to assume due authorization, execution and delivery of the Finance Agreement and this Agreement by parties thereto other than the Railroad) and stating that (i) the Railroad is a duly organized and existing corporation in good standing under the laws of its jurisdiction of incorporation and has the full power and authority to own its properties and to carry on its business as conducted on the date thereof, (ii) this Assignment is a legal, valid, binding and enforceable instrument, and (iii) the execution and delivery by the Railroad of the CSA and the Finance Agreement do not violate any provision of any law, any order of any court or governmental agency, the charter or By-laws of the Railroad, or any indenture, agreement, or other instrument to which the Railroad is a party or by which it, or any of its property is bound, and will not be in conflict with, result in the breach of, or constitute, with due notice or lapse of time or both, a default under, any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Railroad.*

(f) an opinion of counsel for such Builder, dated as of such Closing Date, to the effect set forth in clause (iv) of subparagraph (d) above in respect of its Equipment insofar as such matters relate to such Builder and stating that (i) such Builder is a duly organized and existing corporation in good standing under the laws

* except that the interest or equity of the Railroad in or to the Equipment is subject to the Railroad's First Mortgage and General (Income) Mortgage, both dated January 1, 1955, both of which are subject to and subordinate to the CSA.

of its jurisdiction of incorporation and has the power and authority to own its properties and to carry on its business as conducted on the date thereof, (ii) the CSA has been duly authorized, executed and delivered by such Builder and, assuming due authorization, execution and delivery by the other parties thereto, is a legal and valid instrument binding upon such Builder and enforceable against such Builder in accordance with its terms, (iii) this Assignment has been duly authorized, executed and delivered by such Builder and, assuming due authorization, execution and delivery by the other parties thereto, is a legal, valid, binding and enforceable instrument binding upon such Builder and (iv) the bill of sale delivered by such Builder on such Closing Date is effective to confirm the transfer of the Builder's right, title and interest in the units of the Equipment in such Group to the Assignee and such units, at the time of delivery thereof to the Railroad under the CSA, were free from all claims, liens, security interests and other encumbrances (other than those created by the CSA and this Assignment);

(g) a certificate of the senior financial officer of the Railroad, dated as of such Closing Date, to the effect that (i) to the best of his knowledge and belief, no event of default, or event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default, shall have occurred and is then continuing, (ii) no Federal tax liens (including tax liens filed pursuant to Section 6323 of the Internal Revenue Code of 1954, as amended) and to the best of his knowledge and belief no other tax liens have been filed and are currently in effect which would adversely affect the security interest of the Assignee in the Equipment; and (iii) to the best of his knowledge and belief, the Railroad has not been in default as to principal and interest payments during the five years preceding the Closing Date;

(h) a receipt from such Builder for any payment (other than the payment being made by the Assignee pursuant to the first paragraph of this Section 4) required to be made on such Closing Date to such Builder with respect to the Equipment, unless such payment is made by the Assignee with funds furnished to it for that purpose by the Railroad;

provided, however, that with respect to Equipment for which

a Final Supplemental Invoice (as defined in the CSA) is submitted by any Builder as permitted by Article 4 of the CSA, the only documents which must be delivered to the Assignee are those required by subparagraphs (c) and (h) of this Section 4.

In giving the opinions specified in subparagraphs (d), (e) and (f) of the first paragraph of this Section 4, counsel may qualify any opinion to the effect that any agreement is a legal, valid and binding instrument enforceable in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally. In giving the opinion specified in said subparagraphs (d) and (e), counsel may rely on the opinion of counsel for such Builder as to authorization, execution and delivery by such Builder of the documents executed by such Builder and as to title to the Equipment of such Builder at the time of delivery thereof under the CSA; and in giving the opinion specified in said subparagraph (d), counsel may rely as to any matter governed by the law of any jurisdiction other than New York or the United States on the opinion of counsel for the Railroad as to such matter; and in giving the opinion specified in said subparagraph (e), counsel may rely on the bill of sale and opinion of counsel for such Builder as to claims, liens, security interests and other encumbrances arising from, through or under such Builder.

The obligation of the Assignee hereunder to make any payment provided for in this Section 4 is hereby expressly conditioned upon the Assignee's having on deposit, pursuant to the terms of the Finance Agreement, sufficient funds available thereunder to make such payment. The Assignee shall not be obligated to make payment at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 of the CSA or if an event of default, or any event which with the lapse of time and/or demand provided for in the CSA could constitute an event of default, shall have occurred and be continuing under the CSA. In the event that the Assignee shall not make payment for any Group of the Equipment on any scheduled Closing Date as the same may from time to time be postponed, the Assignee shall be deemed to have reassigned to such Builder, without recourse to the Assignee, all right, title and interest of the Assignee in and to the units of the Equipment with respect to which payment has not been made by the Assignee, and at the request

of such Builder, confirm in writing such reassignment. In the event that the Assignee shall not make payment for any Final Supplemental Invoice on any scheduled Closing Date as the same may from time to time be postponed, the sole remedy of the Builder in respect thereof shall be an unsecured claim for the amount thereof against the Railroad and the payment thereof to the Builder shall not be secured by any lien, charge or security interest upon the Equipment of such Builder or any unit thereof.

SECTION 5. The Assignee may assign all or any of its rights under the CSA, including the right to receive any payments due or to become due to it from the Railroad thereunder. In the event of any such assignment any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

SECTION 6. Each Builder hereby severally:

(a) represents and warrants to the Assignee, its successors and assigns, that the CSA was duly authorized by it and lawfully executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by the Railroad, the CSA is, insofar as such Builder is concerned, a valid and existing agreement binding upon it and the Railroad in accordance with its terms and that it is now in force without amendment thereto;

(b) agrees that it will from time to time and at all times, at the request of the Assignee or its successors or assigns, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be; and

(c) agrees that, upon request of the Assignee and provided that the Assignee shall have made all payments which the Assignee is required by this Assignment to make to such Builder, its successors and assigns, it will execute any and all instruments which may be neces-

sary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of such Builder therein or in the Equipment of such Builder.

SECTION 7. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of Missouri; provided, however, that the parties shall be entitled to all the rights conferred as provided in Article 23 of the CSA.

SECTION 8. Although this Assignment is dated for convenience as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 9. This Assignment may be executed in any number of counterparts, all of which together shall constitute a single instrument. Each Builder shall be bound hereunder notwithstanding the failure of the other Builder to execute and deliver this Assignment or to perform its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

MERCANTILE TRUST COMPANY, N.A.,
As Agent,

by
Elden R. Stennberg
Vice President

[Corporate Seal]

Attest:

Victor Zarrilli
Assistant Secretary

GENERAL MOTORS CORPORATION
(ELECTRO-MOTIVE DIVISION),

by P. K. Hoglund
Vice President

[Corporate Seal]

Attest:

W. J. Scott
Assistant Secretary

GENERAL ELECTRIC COMPANY,

by M. S. Richardson
General Manager-Locomotive Operations

[Corporate Seal]

Attest:

J. T. Hughes
Attesting Secretary

BETHLEHEM STEEL CORPORATION,

by R. K. Smith
Vice President

[Corporate Seal]

Attest:

M. Hemphill, Jr.
Assistant Secretary

FRUIT GROWERS EXPRESS COMPANY,

by Walter A. Dahl
Vice President

[Corporate Seal]

Attest:

R. W. Polster
~~Assistant~~ Secretary

STATE OF MISSOURI,)
) ss.:
CITY OF ST. LOUIS,)

On this 11th day of April 1980, before me personally appeared Elden R. Stennberg , to me personally known, who, being by me duly sworn, says that he is a Vice President of MERCANTILE TRUST COMPANY, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Dorothy Pusczek
Notary Public

[NOTARIAL SEAL]

Dorothy Pusczek

My Commission expires
August 25, 1980

STATE OF ILLINOIS,)
) ss.:
COUNTY OF COOK,)

On this 8th day of April 1980, before me personally appeared P. K. Hoglund , to me personally known, who, being by me duly sworn, says that he is a Vice President of GENERAL MOTORS CORPORATION (Electro-Motive Division), that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

T. K. Piorecki
Notary Public

[Notarial Seal]

My Commission expires
September 18, 1983

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF ERIE,)

On this 9th day of April 1980, before me personally appeared M. S. Richardson , to me personally known, who, being by me duly sworn, says that he is General Manager-Locomotive Operations of GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Judy Crandall
Notary Public
Judy Crandall, Notary Public
Lawrence Park Twp. Erie County, Penna.
My Commission Expires January 16, 1984

[Notarial Seal]

My Commission expires

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF LEHIGH,)

On this 10th day of April 1980, before me personally appeared R. K. Smith , to me personally known, who, being by me duly sworn, says that he is a Vice President of BETHLEHEM STEEL CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Evelyn S. Weeks
Notary Public
My Commission Expires
City of Bethlehem
Lehigh County
October 13, 1982

[Notarial Seal]

My Commission expires

DISTRICT OF COLUMBIA,) ss.:

On this 14th day of April 1980, before me personally appeared W. A. Dahl, to me personally known, who, being by me duly sworn, says that he is a Vice President of FRUIT GROWERS EXPRESS COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

L. W. Moffett

Notary Public

[Notarial Seal]

My Commission expires
October 14, 1982

L. W. Moffett, Notary Public
City of Washington, District of Columbia
My Commission Expires October 14, 1982

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

MISSOURI PACIFIC RAILROAD COMPANY hereby acknowledges due notice of and consents to the assignment made by the foregoing Agreement and Assignment as of March 1, 1980.

MISSOURI PACIFIC RAILROAD COMPANY,

by M. M. Hennelley
Vice President