

WHITE & CASE

1747 PENNSYLVANIA AVENUE N.W.

1155 AVENUE OF THE AMERICAS, NEW YORK
333 SOUTH HOPE STREET, LOS ANGELES
200 SOUTH BISCAYNE BOULEVARD, MIAMI
20 PLACE VENDÔME, PARIS
66 GRESHAM STREET, LONDON

WASHINGTON, D.C. 20006
(202) 872-0013
TELECOPY: (202) 872-0210
TELEX: 197898

20-5, ICHIBANCHO, CHIYODA-KU, TOKYO
15 QUEEN'S ROAD CENTRAL, HONG KONG
50 RAFFLES PLACE, SINGAPORE
BIRGER JARLSGATAN 14, STOCKHOLM
CUMHURİYET CAĐDESİ 12/10, ISTANBUL
ZIYA ÜR RAHMAN CAĐDESİ 17/5, ANKARA

RECORDATION NO. 16114-2 FILED 1425

HAR:CSP

JUN 29 1989 - 1 20 PM

June 29, 1989

INTERSTATE COMMERCE COMMISSION

9-180A010

Office of the Secretary
Recordations Unit
Room 2303
Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, D.C. 20423

ATTENTION: Ms. Mildred Lee

Dear Ms. Lee:

Enclosed are an original and one certified true copy of the document described below, to be recorded pursuant to 49 U.S.C. § 11303. This document is a lease and indenture supplement, a secondary document, dated June 29, 1989. The primary document to which this lease and indenture supplement is connected is recorded under Recordation No. 16114.

The names and addresses of the parties of the document are as follows:

The Connecticut National Bank,
as trustee, lessor/owner trustee
777 Main Street
Hartford, Connecticut 06115; and

CSX Transportation, Inc., lessee
100 North Charles Street
Baltimore, Maryland 21201; and

Meridian Trust Company, as trustee,
indenture trustee
35 North Sixth Street
Reading, Pennsylvania 19603

A description of the equipment covered by this document follows:

JUN 29 1 23 PM '89
RECORDATION UNIT

Carroll
Lee

Interstate Commerce Commission
June 29, 1989
Page 2

190 100-ton high-side coal gondola cars bearing
the road numbers CSXT 381,803, CSXT 381,807 - CSXT
381,811, CSXT 380,816 - CSXT 381,999 and

720 100-ton 4,750 cu. ft.
covered hopper cars
bearing the road numbers
CSXT 259,390, CSXT 259,402, CSXT 260,000 - CSXT
260,029, CSXT 260,301, CSXT 260,308 - CSXT
260,310, CSXT 260,313, CSXT 260,317 - CSXT 260,999

A filing fee of \$13.00 is enclosed. Please return
the original and any extra copies not needed by the
Commission for recordation to the undersigned.

A short summary of the document to appear in the
index follows:

Lease and Indenture Supplement No. 3 to Lease
No. 1 dated June 29, 1989 and covering
190 100-ton high-side coal gondola cars bearing
the road numbers CSXT 381,803, CSXT 381,807 - CSXT
381,811, CSXT 380,816 - CSXT 381,999 and

720 100-ton 4,750 cu. ft.
covered hopper cars
bearing the road numbers
CSXT 259,390, CSXT 259,402, CSXT 260,000 - CSXT
260,029, CSXT 260,301, CSXT 260,308 - CSXT
260,310, CSXT 260,313, CSXT 260,317 - CSXT 260,999

Very truly yours,


Harriet Ann Robinson

Enclosure

LEASE AND INDENTURE SUPPLEMENT NO. 3

RECORDATION NO. 16114-A FILED 0428

Dated June 29, 1989

JUN 29 1989 - 1 20 PM

Among

INTERSTATE COMMERCE COMMISSION

THE CONNECTICUT NATIONAL BANK,
not in its individual capacity but solely as trustee,
Lessor/Owner Trustee,

CSX TRANSPORTATION, INC.,
Lessee

and

MERIDIAN TRUST COMPANY,
not in its individual capacity but solely as trustee,
Indenture Trustee

100-TON HIGH-SIDE COAL GONDOLA CARS
100-TON COVERED HOPPER CARS

ALL RIGHT, TITLE AND INTEREST IN AND TO THIS LEASE AND INDENTURE SUPPLEMENT NO. 3 AND TO THE RAILCARS COVERED HEREBY ON THE PART OF THE CONNECTICUT NATIONAL BANK, AS OWNER TRUSTEE, HAS BEEN ASSIGNED TO AND IS SUBJECT TO A LIEN AND SECURITY INTEREST IN FAVOR OF MERIDIAN TRUST COMPANY, AS INDENTURE TRUSTEE UNDER AN INDENTURE AND SECURITY AGREEMENT NO. 1 DATED AS OF DECEMBER 1, 1988. TO THE EXTENT, IF ANY, THAT THIS LEASE AND INDENTURE SUPPLEMENT NO. 3 CONSTITUTES CHATTEL PAPER (AS SUCH TERM IS DEFINED IN THE UNIFORM COMMERCIAL CODE AS IN EFFECT IN ANY APPLICABLE JURISDICTION), NO SECURITY INTEREST IN THIS LEASE AND INDENTURE SUPPLEMENT NO. 3 MAY BE CREATED THROUGH THE TRANSFER OR POSSESSION OF ANY COUNTERPART OTHER THAN THE ORIGINAL COUNTERPART THAT CONTAINS THE RECEIPT THEREFOR EXECUTED BY MERIDIAN TRUST COMPANY, AS INDENTURE TRUSTEE, ON OR IMMEDIATELY FOLLOWING THE SIGNATURE PAGE THEREOF.

FILED WITH THE INTERSTATE COMMERCE COMMISSION
PURSUANT TO 49 U.S.C. § 11303 ON JUNE 29, 1989
AT ___ :___ A.M. RECORDATION NUMBER _____.

THIS LEASE AND INDENTURE SUPPLEMENT NO. 3, dated June 29, 1989, among THE CONNECTICUT NATIONAL BANK, a national banking association, not in its individual capacity but solely as Owner Trustee ("Lessor" or "Owner Trustee") under that certain Trust Agreement No. 1 dated as of December 1, 1988 (the "Trust Agreement") with FORD MOTOR CREDIT COMPANY, CSX TRANSPORTATION, INC., a Virginia corporation ("Lessee") and MERIDIAN TRUST COMPANY, a Pennsylvania trust company, not in its individual capacity but solely as Indenture Trustee (the "Indenture Trustee").

W I T N E S S E T H :

WHEREAS, Lessor, Lessee and the Indenture Trustee have, with the other parties thereto, heretofore entered into a Participation Agreement No. 1 (the "Participation Agreement"), Lessor and Lessee have heretofore entered into a Lease Agreement No. 1 (the "Lease"), and the Indenture Trustee and Owner Trustee have heretofore entered into an Indenture and Security Agreement No. 1 (the "Indenture"), each dated as of December 1, 1988 (capitalized terms used herein without definitions having the respective meanings set forth in Appendix X to the Lease);

WHEREAS, the Participation Agreement and the Lease provide that on each Closing Date Seller shall deliver to Owner Trustee a Bill of Sale dated such date by which Seller bargains, conveys, assigns, sets over, sells and delivers to Owner Trustee, and Owner Trustee purchases and accepts from the Seller, the Railcars to be conveyed on such Closing Date, and said Bill of Sale has been delivered by Seller and accepted by Owner Trustee on such Closing Date;

WHEREAS, the Participation Agreement, the Lease, and the Indenture provide for the execution of a Lease and Indenture Supplement substantially in the form hereof for the purposes of leasing the Railcars under the Lease as and when delivered by Lessor to Lessee in accordance with the terms thereof and subjecting such Railcars to the lien of the Indenture;

NOW, THEREFORE, in consideration of the premises and for good and sufficient consideration, Lessor, Lessee and Indenture Trustee hereby agree as follows:

1. Lessor hereby delivers and leases to Lessee, and Lessee hereby accepts and leases from Lessor, under the Lease as hereby supplemented, the Railcars listed on Schedule 1 hereto.

2. Lessee hereby confirms to Lessor that Lessee has accepted such Railcars for all purposes hereof and of the Lease.

3. The aggregate Lessor's Cost of the Railcars leased hereunder is \$39,525,000 and the amounts comprising such Lessor's Cost and the Lessor's Cost of each Coal Car and Hopper Car leased hereunder are set forth on Schedule 1 hereto. The Stipulated Loss Values and Termination Values for the Coal Cars set forth, respectively, on Schedules 2A and 3A hereto shall be applicable in respect of the Coal Cars leased hereunder on the date hereof, and the Stipulated Loss Values and Termination Values set forth, respectively, on Schedules 2B and 3B hereto shall be applicable in respect of the Hopper Cars leased hereunder on the date hereof.

4. Lessee hereby confirms its agreement, in accordance with the Lease as supplemented by this Lease and Indenture Supplement No. 3, on the Basic Term Commencement Date to pay Interim Rent to Lessor for each Railcar leased hereunder as provided for in the Lease and on each Payment Date to pay Basic Rent to Lessor for each Railcar leased hereunder as provided for in the Lease.

5. In order to secure the prompt payment of the principal of and Premium, if any, and interest on the Notes issued on the date hereof and on the other Notes, Lessor has granted, conveyed, pledged, sold, mortgaged, assigned, transferred and set over a security interest unto the Indenture Trustee in (i) the Railcars listed on Schedule 1 hereto and (ii) this Lease and Indenture Supplement No. 3, in each case excluding Excepted Property and Excepted Rights, to have and to hold unto the Indenture Trustee and its successors and its assigns for its and their own use and benefit forever.

6. All of the provisions of the Lease and the Indenture are hereby incorporated by reference in this Lease and Indenture Supplement No. 3 to the same extent as if fully set forth herein.

7. This Lease and Indenture Supplement No. 3 may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an

original, but all such counterparts shall together constitute but one and the same instrument.

8. This Lease and Indenture Supplement No. 3 is being delivered in the State of New York and shall in all respects be governed by, and construed in accordance with, the laws of the State of New York, including all matters of construction, validity and performance.

IN WITNESS WHEREOF, Lessor, Lessee and Indenture Trustee have caused this Lease and Indenture Supplement No. 3 to be duly executed on the date and year set forth in the opening paragraph hereof.

Lessor/Owner Trustee

THE CONNECTICUT NATIONAL BANK,
not in its individual capacity but solely as Owner Trustee

By *W. J. Duro*
Title: **Vice President**

Lessee

CSX TRANSPORTATION, INC.

By _____
Title:

Indenture Trustee

MERIDIAN TRUST COMPANY,
not in its individual capacity but solely as Indenture Trustee

By _____
Title:

IN WITNESS WHEREOF, Lessor, Lessee and Indenture Trustee have caused this Lease and Indenture Supplement No. 3 to be duly executed on the date and year set forth in the opening paragraph hereof.

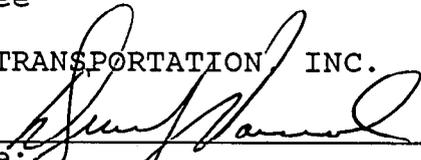
Lessor/Owner Trustee

THE CONNECTICUT NATIONAL BANK,
not in its individual capacity but solely as Owner Trustee

By _____
Title:

Lessee

CSX TRANSPORTATION, INC.

By  _____
Title: AVP & TREASURER - EQUIPMENT UNIT

Indenture Trustee

MERIDIAN TRUST COMPANY,
not in its individual capacity but solely as Indenture Trustee

By _____
Title:

IN WITNESS WHEREOF, Lessor, Lessee and Indenture Trustee have caused this Lease and Indenture Supplement No. 3 to be duly executed on the date and year set forth in the opening paragraph hereof.

Lessor/Owner Trustee

THE CONNECTICUT NATIONAL BANK,
not in its individual capacity but solely as Owner Trustee

By _____
Title:

Lessee

CSX TRANSPORTATION, INC.

By _____
Title:

Indenture Trustee

MERIDIAN TRUST COMPANY,
not in its individual capacity but solely as Indenture Trustee

By Stephen J. Calo
Title: VICE PRESIDENT

IN WITNESS WHEREOF, Lessor, Lessee and Indenture Trustee have caused this Lease and Indenture Supplement No. 3 to be duly executed on the date and year set forth in the opening paragraph hereof.

Lessor/Owner Trustee

THE CONNECTICUT NATIONAL BANK,
not in its individual capacity but solely as Owner Trustee

By 
Title: **Vice President**

Lessee

CSX TRANSPORTATION, INC.

By _____
Title:

Indenture Trustee

MERIDIAN TRUST COMPANY,
not in its individual capacity but solely as Indenture Trustee

By _____
Title:

IN WITNESS WHEREOF, Lessor, Lessee and Indenture Trustee have caused this Lease and Indenture Supplement No. 3 to be duly executed on the date and year set forth in the opening paragraph hereof.

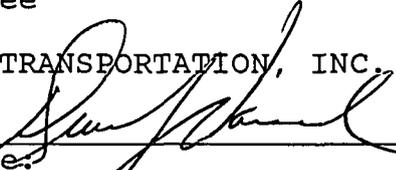
Lessor/Owner Trustee

THE CONNECTICUT NATIONAL BANK,
not in its individual capacity but solely as Owner Trustee

By _____
Title:

Lessee

CSX TRANSPORTATION, INC.

By  _____
Title:

AVP & TREASURER - EQUIPMENT UNIT

Indenture Trustee

MERIDIAN TRUST COMPANY,
not in its individual capacity but solely as Indenture Trustee

By _____
Title:

STATE OF PENNSYLVANIA)
COUNTY OF BERKS) NY ; ss.:

On this 28th day of June, 1989, before me personally appeared STEPHEN J. KABA, to be personally known, who, being by me duly sworn, says that ~~she~~ is VICE PRESIDENT of Meridian Trust Company, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and ~~she~~ acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

My Commission Expires:

[Notary Seal]

GAIL D. ADER
Notary Public, State of New York
No. 31-4823841
Qualified in New York County
Commission Expires Dec. 31, 1990

SCHEDULE 1
to
Lease and Indenture
Supplement No. 3

SCHEDULE OF RAILCARS TO BE DELIVERED

Coal Cars

<u>Quantity of Cars</u>	<u>Serial Numbers</u>	<u>Lessor's Cost Per Unit</u>	<u>Aggregate Lessor's Cost</u>
190	CSXT 381803 CSXT 381807-381811 (Inclusive) CSXT 381816-381999 (Inclusive)	\$37,500	\$7,125,000

Hopper Cars

<u>Quantity of Cars</u>	<u>Serial Numbers</u>	<u>Lessor's Cost Per Unit</u>	<u>Aggregate Lessor's Cost</u>
720	CSXT 259390 CSXT 259402 CSXT 260000-260029 (Inclusive) CSXT 260301 CSXT 260308-260310 (Inclusive) CSXT 260313 CSXT 260317-260999 (Inclusive)	\$45,000	\$32,400,000

SCHEDULE 2A
to
Lease and Indenture
Supplement No. 3

STIPULATED LOSS VALUE
(COAL CARS)

If the event giving rise to an obligation to pay Stipulated Loss Value occurs and the actual date as of which the Owner Participant shall incur Federal income tax consequences shall be earlier or later than the date assumed in originally calculating the applicable Stipulated Loss Value, such value shall be appropriately adjusted, based upon the date as of which the Owner Participant incurred such tax consequences but otherwise on the same assumptions used to calculate the following values. In any case where Stipulated Loss Value shall be payable, there shall be added to the amount determined pursuant to the following schedule, the amount of premium, if any, payable in respect of the Notes.

Notwithstanding any provision in the Lease to the contrary, the parties hereto acknowledge and agree that the following table of Stipulated Loss Value percentages has been calculated without regard to payment of Basic Rent as of the applicable Payment Date. Accordingly, during the Basic Term, if the payment of Stipulated Loss Value in respect of a Unit occurs prior to January 3, 1999, the Lessee shall also pay the Basic Rent with respect to such Unit due on the applicable Payment Date; if the payment of Stipulated Loss Value in respect of a Unit occurs on January 3, 1999, the Lessee shall also pay the Basic Rent (to the extent it is reflected as an arrears payment on Schedule 1 to the Lease) with respect to such Unit due on such Payment Date; if the payment of Stipulated Loss Value in respect of a unit occurs after January 3, 1999, the Lessee shall not be obligated to pay Basic Rent in respect to such Unit on such Payment Date.

The Stipulated Loss Value set forth in this Schedule 2A shall be applicable in respect of the Coal Cars leased hereunder on the date hereof.

<u>Payment Date</u>	<u>Percentage of Lessor's Cost</u>
July 3, 1990	109.05110
January 3, 1991	109.76756
July 3, 1991	111.17801
January 3, 1992	111.32096
July 3, 1992	112.33455
January 3, 1993	112.04426
July 3, 1993	112.78960
January 3, 1994	112.16508
July 3, 1994	112.72433
January 3, 1995	111.77858
July 3, 1995	112.13750
January 3, 1996	110.83806
July 3, 1996	110.99951
January 3, 1997	109.41070
July 3, 1997	109.51018
January 3, 1998	107.76511
July 3, 1998	107.51992
January 3, 1999	106.03502
July 3, 1999	102.21830
January 3, 2000	101.53324
July 3, 2000	97.57143
January 3, 2001	96.75764
July 3, 2001	92.53977
January 3, 2002	91.68583
July 3, 2002	87.19858
January 3, 2003	86.30123
July 3, 2003	81.52829
January 3, 2004	80.58645
July 3, 2004	75.51063
January 3, 2005	74.52337
July 3, 2005	68.85045
January 3, 2006	68.06817
July 3, 2006	60.62458
January 3, 2007	61.21057
July 3, 2007	53.28886
January 3, 2008	53.94169
July 3, 2008	45.51179
January 3, 2009	46.25054
July 3, 2009	37.28120
January 3, 2010	38.12682
July 3, 2010	28.58942
January 3, 2011	29.53282
July 3, 2011	19.95070
January 3, 2012	20.49365

SCHEDULE 2B
to
Lease and Indenture
Supplement No. 3

STIPULATED LOSS VALUE
(HOPPER CARS)

If the event giving rise to an obligation to pay Stipulated Loss Value occurs and the actual date as of which the Owner Participant shall incur Federal income tax consequences shall be earlier or later than the date assumed in originally calculating the applicable Stipulated Loss Value, such value shall be appropriately adjusted, based upon the date as of which the Owner Participant incurred such tax consequences but otherwise on the same assumptions used to calculate the following values. In any case where Stipulated Loss Value shall be payable, there shall be added to the amount determined pursuant to the following schedule, the amount of premium, if any, payable in respect of the Notes.

Notwithstanding any provision in the Lease to the contrary, the parties hereto acknowledge and agree that the following table of Stipulated Loss Value percentages has been calculated without regard to payment of Basic Rent as of the applicable Payment Date. Accordingly, during the Basic Term, if the payment of Stipulated Loss Value in respect of a Unit occurs prior to January 3, 2000, the Lessee shall also pay the Basic Rent with respect to such Unit due on the applicable Payment Date; if the payment of Stipulated Loss Value in respect of a Unit occurs on January 3, 2000, the Lessee shall also pay the Basic Rent (to the extent it is reflected as an arrears payment on Schedule 1 hereto) with respect to such Unit due on such Payment Date; if the payment of Stipulated Loss Value in respect of a unit occurs after January 3, 2000, the Lessee shall not be obligated to pay Basic Rent in respect to such Unit on such Payment Date.

The Stipulated Loss Value set forth in this Schedule 2B shall be applicable in respect of the Hopper Cars leased hereunder on the date hereof.

<u>Payment Date</u>	<u>Percentage of Lessor's Cost</u>
July 3, 1990	108.93819
January 3, 1991	109.72693
July 3, 1991	111.09384
January 3, 1992	111.32283
July 3, 1992	112.29265
January 3, 1993	112.09948
July 3, 1993	112.79717
January 3, 1994	112.27877
July 3, 1994	112.78349
January 3, 1995	111.95248
July 3, 1995	112.24890
January 3, 1996	111.07344
July 3, 1996	111.16277
January 3, 1997	109.70540
July 3, 1997	109.71797
January 3, 1998	108.10798
July 3, 1998	108.17378
January 3, 1999	106.45954
July 3, 1999	106.18537
January 3, 2000	104.71712
July 3, 2000	100.94946
January 3, 2001	100.23316
July 3, 2001	96.18929
January 3, 2002	95.45778
July 3, 2002	91.07904
January 3, 2003	90.37094
July 3, 2003	85.70646
January 3, 2004	84.95937
July 3, 2004	79.99104
January 3, 2005	79.20345
July 3, 2005	73.91208
January 3, 2006	73.08252
July 3, 2006	67.44778
January 3, 2007	66.57485
July 3, 2007	60.57519
January 3, 2008	59.65755
July 3, 2008	52.91547
January 3, 2009	52.30292
July 3, 2009	44.21566
January 3, 2010	44.62902
July 3, 2010	35.66155
January 3, 2011	36.73707
July 3, 2011	27.47268
January 3, 2012	28.68811

SCHEDULE 3A
to
Lease and Indenture
Supplement No. 3

TERMINATION VALUE
(COAL CARS)

If the event giving rise to an obligation to pay Termination Value occurs and the actual date as of which the Owner Participant shall incur Federal income tax consequences shall be earlier or later than the date assumed in originally calculating the applicable Termination Value, such value shall be appropriately adjusted, based upon the date as of which the Owner Participant incurred such tax consequences but otherwise on the same assumptions used to calculate the following values. In any case where Termination Value shall be payable, there shall be added to the amount determined pursuant to the following schedule, the amount of any premium, if any, payable in respect of the Notes.

Notwithstanding any provision in the Lease to the contrary, the parties hereto acknowledge and agree that the following table of Termination Value percentages has been calculated without regard to payment of Basic Rent as of the applicable Payment Date. Accordingly, during the Basic Term, if the payment of Termination Value in respect of a Unit occurs prior to January 3, 1999, the Lessee shall also pay the Basic Rent with respect to such Unit due on the applicable Payment Date; if the payment of Termination Value in respect of a Unit occurs on January 3, 1999, the Lessee shall also pay the Basic Rent (to the extent it is reflected as an arrears payment on Schedule 1 hereto) with respect to such Unit due on such Payment Date; if the payment of Termination Value in respect of a Unit occurs after January 3, 1999, the Lessee shall not be obligated to pay Basic Rent in respect to such Unit on such Payment Date.

The Termination Value set forth in this Schedule 3A shall be applicable in respect of the Coal Cars leased hereunder on the date hereof.

<u>Payment Date</u>	<u>Percentage of Lessor's Cost</u>
January 3, 1997	108.80117
July 3, 1997	108.86184
January 3, 1998	107.07482
July 3, 1998	106.78452
January 3, 1999	105.25165
July 3, 1999	101.38345
January 3, 2000	100.64353
July 3, 2000	96.52317
January 3, 2001	95.74715
July 3, 2001	91.46286
January 3, 2002	90.53831
July 3, 2002	85.97572
January 3, 2003	84.99828
July 3, 2003	80.13989
January 3, 2004	79.10720
July 3, 2004	73.93446
January 3, 2005	72.84417
July 3, 2005	67.06192
January 3, 2006	66.16284
July 3, 2006	58.59529
January 3, 2007	59.04579
July 3, 2007	50.98332
January 3, 2008	51.48254
July 3, 2008	42.89256
January 3, 2009	43.45687
July 3, 2009	34.30528
January 3, 2010	34.95254
July 3, 2010	25.20819
January 3, 2011	25.92666
July 3, 2011	16.10849
January 3, 2012	16.39637

SCHEDULE 3B
to
Lease and Indenture
Supplement No. 3

TERMINATION VALUE
(HOPPER CARS)

If the event giving rise to an obligation to pay Termination Value occurs and the actual date as of which the Owner Participant shall incur Federal income tax consequences shall be earlier or later than the date assumed in originally calculating the applicable Termination Value, such value shall be appropriately adjusted, based upon the date as of which the Owner Participant incurred such tax consequences but otherwise on the same assumptions used to calculate the following values. In any case where Termination Value shall be payable, there shall be added to the amount determined pursuant to the following schedule, the amount of any premium, if any, payable in respect of the Notes.

Notwithstanding any provision in the Lease to the contrary, the parties hereto acknowledge and agree that the following table of Termination Value percentages has been calculated without regard to payment of Basic Rent as of the applicable Payment Date. Accordingly, during the Basic Term, if the payment of Termination Value in respect of a Unit occurs prior to January 3, 2000, the Lessee shall also pay the Basic Rent with respect to such Unit due on the applicable Payment Date; if the payment of Termination Value in respect of a Unit occurs on January 3, 2000, the Lessee shall also pay the Basic Rent (to the extent it is reflected as an arrears payment on Schedule 1 hereto) with respect to such Unit due on such Payment Date; if the payment of Termination Value in respect of a Unit occurs after January 3, 2000, the Lessee shall not be obligated to pay Basic Rent in respect to such Unit on such Payment Date.

The Termination Value set forth in this Schedule 3B shall be applicable in respect of the Hopper Cars leased hereunder on the date hereof.

<u>Payment Date</u>	<u>Percentage of Lessor's Cost</u>
January 3, 1997	109.70540
July 3, 1997	109.71797
January 3, 1998	108.10798
July 3, 1998	108.17378
January 3, 1999	106.45954
July 3, 1999	106.18537
January 3, 2000	104.71712
July 3, 2000	100.94946
January 3, 2001	100.23316
July 3, 2001	96.18929
January 3, 2002	95.45778
July 3, 2002	91.07904
January 3, 2003	90.37094
July 3, 2003	85.70646
January 3, 2004	84.95937
July 3, 2004	79.99104
January 3, 2005	79.20345
July 3, 2005	73.91208
January 3, 2006	73.08252
July 3, 2006	67.44778
January 3, 2007	66.57485
July 3, 2007	60.57519
January 3, 2008	59.65755
July 3, 2008	52.91547
January 3, 2009	52.30292
July 3, 2009	44.21566
January 3, 2010	44.62902
July 3, 2010	35.66155
January 3, 2011	36.73707
July 3, 2011	27.47268
January 3, 2012	28.68811