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2-070A037

March 10, 1992

RECORDATION NO. 17726-A
FILED 1425
MAR 10 1992 11:35 AM
INTERSTATE COMMERCE COMMISSION

The Honorable Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

RECORDATION NO. 17726
FILED 1425
MAR 10 1992 11:35 AM
INTERSTATE COMMERCE COMMISSION

Dear Secretary Strickland:

Enclosed for recordation, under the provisions of 49 U.S.C. § 11303(a) and the regulations thereunder, are two executed counterparts each of (i) Equipment Leasing Agreement ("Lease") between BOT Financial Corporation, a Delaware corporation ("Lessor") and Northern States Power Company, a Minnesota corporation ("Lessee"), a primary document, dated as of January 15, 1992; and (ii) Lease Supplement No. 1 between Lessor and Lessee relating to the aforesaid Lease, a secondary document, dated March 10, 1992.

The names and addresses of the parties to the enclosed documents are as follows:

Equipment Leasing Agreement and Lease Supplement No. 1

LESSOR: BOT Financial Corporation
125 Summer Street
Boston, MA 02110

LESSEE: Northern States Power Company
414 Nicollet Mall
Minneapolis, MN 55401

A general description of the railroad equipment covered by the enclosed documents is as follows:

MAR 10 11 27 AM '92
MOTOR OPERATING UNIT

Handwritten signature/initials

DONELAN, CLEARY, WOOD & MASER, P. C.
Letter to Secretary Strickland
March 10, 1992
Page 2

Two hundred twenty (220) 4,155 Cubic Foot, 5 Pocket, Aluminum Body-Steel Underframe Mechanized Rapid Discharge II Coal Cars, Trinity Industries, Inc. design number HK-40103, car numbers NSPX 91001-91220

The undersigned is the attorney-in-fact of BOT Financial Corporation, Northern States Power Company and Aid Association for Lutherans mentioned in the enclosed documents and has knowledge of the matters set forth therein.

Please return the extra copies of the enclosed documents to John K. Maser III, Esquire, Donelan, Cleary, Wood & Maser, P.C., Suite 850, 1275 K Street, N.W., Washington, D.C. 20005, or to the bearer hereof.

Also enclosed is a remittance in the amount of \$32.00 for the required recording fees.

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

Equipment Leasing Agreement, dated as of January 15, 1992, between BOT Financial Corporation ("Lessor") and Northern States Power Company ("Lessee") and Lease Supplement No. 1, dated March 10, 1992, between Lessor and Lessee, relating to two hundred twenty (220) 4,155 Cubic Foot, 5 Pocket, Aluminum Body-Steel Underframe Mechanized Rapid Discharge II Coal Cars, Trinity Industries, Inc. design number HK-40103, car numbers NSPX 91001-91220.

Very truly yours,

BOT FINANCIAL CORPORATION
NORTHERN STATES POWER COMPANY

By: 
John K. Maser III
Attorney-In-Fact

Interstate Commerce Commission
Washington, D.C. 20423

3/10/92

OFFICE OF THE SECRETARY

John K. Maser

Donelan Cleary, Wood & Maser

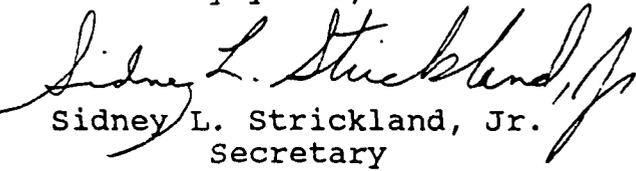
1275 K Street N.W. Suite 850

Washington, D.C. 20005-4078

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 3/10/92 at 11:35am, and assigned recordation number(s). 17726 & 17726-A 17727

Sincerely yours,


Sidney L. Strickland, Jr.
Secretary

EQUIPMENT LEASING AGREEMENT

7726
MAR 4 10 1992 - 11 35 AM
INTERSTATE COMMERCIAL COMMISSION

EQUIPMENT LEASING AGREEMENT dated as of January 15, 1992 (herein, as amended and supplemented from time to time, called "this Lease"), between BOT Financial Corporation, a Delaware corporation (herein called "Lessor"), having its principal place of business at 125 Summer Street, Boston, MA 02110, and Northern States Power Company, a(n) Minnesota corporation (herein called "Lessee"), having its principal place of business at 414 Nicollet Mall, Minneapolis, MN 55401.

In consideration of the mutual covenants and agreements hereinafter set forth, the parties hereto agree as follows:

1. Definitions. Unless the context otherwise requires, the following terms shall have the following meanings for all purposes of this Lease and shall be equally applicable to both the singular and the plural forms of the terms herein defined:

(a) "Acquisition Cost" of each Item of Equipment means an amount equal to the sum of (i) the total cost paid by Lessor for such Item, plus (ii) all sales and excise taxes paid by Lessor on or with respect to the acquisition of such Item, plus (iii) all costs and expenses approved by the Assignee and Lessee and approved and paid by Lessor and Lessee in connection with the delivery and installation of such Item.

(b) "Acceptance Date" for each Item of Equipment means the date on which Lessee has unconditionally accepted such Item for lease hereunder, as evidenced by Lessee's execution and delivery of a Lease Supplement for such Item dated such date.

(c) "Acquisition Period" means the period specified as such on each consecutively numbered Related Exhibit A now or hereafter attached hereto and made a part hereof.

(d) "Assignee" means Aid Association for Lutherans, a Wisconsin fraternal benefit organization, having its principal place of business at 4321 North Ballard Road, Appleton, Wisconsin 54919-0001 and any successors or assigns of Assignee.

(e) "Basic Rent" means the rent payable for each Item of Equipment during (i) the Basic Term thereof pursuant to Section 7(b) hereof, or (ii) each Renewal Term thereof pursuant to Section 29(a) hereof.

(f) "Basic Term" for each Item of Equipment means the period consisting of the number of months set forth for the type of Equipment to which such Item relates on the Related Exhibit A for such Item.

(g) "Basic Term Commencement Date" for each Item of Equipment means the date specified as such on the Related Exhibit A for such Item.

(h) "Business Day" means any day other than a day on which banking institutions in the Commonwealth of Massachusetts are authorized by law to close.

(i) "Casualty Loss Value" of each Item of Equipment shall have the meaning given to such term in Section 16(b) hereof.

(j) "End of Term Adjustment" shall have the meaning given to such term in Section 30(d) hereof.

(k) "Equipment" means the equipment of the type(s) described on each consecutively numbered Related Exhibit A now or hereafter attached hereto and made a part hereof and leased or to be leased by Lessor to Lessee hereunder or ordered by Lessor for lease to Lessee hereunder, together with any and all accessions, additions, improvements and replacements from time to time incorporated or installed therein which are the property of Lessor pursuant to the terms of this Lease.

(l) "Estimated Residual Value" for any Item of Equipment shall mean an amount obtained by multiplying (i) the percentage set forth in the Related Exhibit A for such Item under the caption "Estimated Residual Value Percentage" applicable to the Basic Term or Renewal Term then ending, by (ii) the Acquisition Cost for such Item.

(m) "Event of Default" means any of the events referred to in Section 23 hereof.

(n) "Event of Loss" with respect to any Item of Equipment means (i) the loss of such Item of Equipment or any substantial part thereof, (ii) the loss of the use of such Item of Equipment due to theft or disappearance for a period in excess of 45 days during the Term, or existing at the expiration or earlier termination of the Term, (iii) the destruction, damage beyond repair, or rendition of such Item of Equipment or any substantial part thereof permanently unfit for normal use for any reason whatsoever, (iv) the condemnation, confiscation, seizure, or requisition of use or

title to such Item of Equipment or any substantial part thereof by any governmental authority under the power of eminent domain or otherwise or (v) as a result of any rule, regulation, order or other action by the United States Government or any agency or instrumentality thereof, the use of such Item of Equipment in the normal course of transportation shall have been prohibited for a continuous period of six months.

(o) "Excluded Amounts" shall (i) all proceeds of liability and property damage insurance owing or payable to Lessor for its own account pursuant to any insurance policies maintained under Section 17(b) hereof, (ii) any indemnities or other amounts payable to or in favor of Lessor for its own account under Sections 18 and 20 hereof, and regardless of whether payable in a lump sum or as an addition to, or increase in, Rent and (iii) the amount of any Interim Rent payable for each Item of Equipment.

(p) "Guarantor" means any guarantor of Lessee's obligations hereunder.

(q) "Guaranty" means any guaranty of Lessee's obligations hereunder executed by Guarantor.

(r) "Interim Rent" means the rent payable for each Item of Equipment for the Interim Term thereof pursuant to Section 7(a) hereof.

(s) "Interim Term" for each Item of Equipment means the period commencing on the Acceptance Date for such Item and ending on the date immediately prior to the Basic Term Commencement Date.

(t) "Item of Equipment" or "Item" means one of the railcars more specifically described in the Related Exhibit A, leased to the Lessee hereunder, together with the related appurtenances, additions, improvements, equipment and replacements thereto.

(u) "LC Issuer" means BOT Financial Corporation, a Delaware corporation.

(v) "Lease Supplement" means a Lease Supplement substantially in the form attached hereto as Exhibit B, to be executed by Lessor and Lessee with respect to each Item of Equipment as provided in Section 4 hereof, evidencing that such Item is leased hereunder.

(w) "Lessee's Acknowledgment" means the Acknowledgment of Notice of Assignment, to be dated the date hereof and executed by Lessee, substantially in the form of same attached as Exhibit E to the Note Purchase Agreement.

(x) "Lessor Risk Amount" has the meaning set forth in paragraph 6 of the Drawing Certificate in the form attached to the Letter of Credit as Attachment 1, but in no event more than the Maximum Lessor Risk Amount for such Item of Equipment, provided, that the Lessor Risk Amount shall equal zero if any of the Limited Lessee Risk Conditions have not been met as of the Termination Date of such Item.

(y) "Letter of Credit" means the standby letter of credit dated as of the date hereof and issued by the LC Issuer.

(z) "Limited Lessee Risk Conditions" shall have the meaning given to such term in Section 30(d) hereof.

(aa) "Lien" means liens, mortgages, encumbrances, pledges, charges and security interests of any kind.

(ab) "Maximum Acquisition Cost" means the amount specified as such on each consecutively numbered Related Exhibit A now or hereafter attached hereto and made a part hereof.

(ac) "Maximum Lessee Risk Amount" for any Item of Equipment shall mean the percentage set forth in the Related Exhibit A for such Item under the caption "Maximum Lessee Risk Percentage" applicable to the Basic Term or Renewal Term then ending, multiplied by the Acquisition Cost for such Item.

(ad) "Maximum Lessor Risk Amount" for any Item of Equipment shall mean the percentage set forth in the Related Exhibit A for such Item under the caption "Maximum Lessor Risk Percentage" applicable to the Basic Term or Renewal Term then ending, multiplied by the Acquisition Cost for such Item.

(ae) "Maximum Term" for each Item of Equipment shall mean the maximum number of months, in aggregate, of the Basic Term and all Renewal Terms of such Item of Equipment, as specified in the Related Exhibit A applicable to such Item of Equipment.

(af) "Net Proceeds of Sale" shall have the meaning given to such term in Section 30(d) hereof.

(ag) "Notes" means the Notes, as defined in, and which shall be from time to time issued and outstanding under, the Note Purchase Agreement, evidencing loans to be made by Assignee to Lessor to finance 100% of the Acquisition Cost of each Item of Equipment.

(ah) "Note Purchase Agreement" means the Note Purchase Agreement dated as of the date hereof between Lessor and Assignee, relating to this Lease and the Equipment, under and pursuant to which each Note is to be issued, as the same may be modified, amended or supplemented from time to time in accordance with its terms.

(ai) "Notice of Assignment" means the Notice of Assignment to be dated the date hereof and executed by Lessor, substantially in the form of same attached as Exhibit D to the Note Purchase Agreement.

(aj) "Overall Transaction" means all of those transactions referred to in, provided for in, or contemplated by, the Principal Documents, including, without limitation, the manufacture, purchase, ownership, financing, leasing, operation and management of the Equipment.

(ak) "Permitted Lien" means a Lien permitted by the provisions of Section 15(b)(i) or 15(b)(ii) hereof.

(al) "Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, trustee(s) of a trust, unincorporated organization, or government or governmental authority, agency or political subdivision thereof.

(am) "Principal Documents" means this Lease, the Lease Supplement(s), the Purchase Agreement Assignment, the Note Purchase Agreement, the Note(s), the Security Agreement, the Notice of Assignment, and the Lessee's Acknowledgment.

(an) "Purchase Agreement Assignment" means the Purchase Agreement Assignment to be dated as of the date hereof, among Lessor, Lessee and the vendor of the Equipment, as the same may be modified, amended or supplemented from time to time in accordance with its terms.

(ao) "Reinvestment Premium" for any Equipment, as of any determination date, shall mean the excess, if any, of (i) the net present value of the sum of all payments of principal and interest due on the Notes remaining to be paid after such determination date, that would have been payable following such determination date if the Notes were not prepaid, discounted at a rate equal to the Treasury Constant Yield, over (ii) the outstanding principal balance of the Notes at such time of determination.

(ap) "Related Exhibit A" means, with respect to an Item of Equipment, the particular numbered Exhibit A now or hereafter attached hereto and made a part hereof to which such Item relates as specified in Section 4 hereof.

(aq) "Remaining Average Life" shall mean, for a Reinvestment Premium payable with respect to any Note, the number of years (calculated to the nearest one-twelfth year) obtained by dividing (i) the sum of the products obtained by multiplying (a) each remaining required principal repayment (including repayment at final maturity), by (b) the number of years (calculated to the nearest one-twelfth year) which will elapse between such determination date and the scheduled due date of such remaining required principal repayment, by (ii) the outstanding principal balance for such Note at the determination date of such Reinvestment Premium.

(ar) "Renewal Term" for each Item of Equipment means each period following the end of the Basic Term for such Item with respect to which Lessee has the option to renew this Lease pursuant to Section 29(a) hereof.

(as) "Rent" means Interim Rent and Basic Rent.

(at) "Rent Payment Date" for each Item of Equipment means (i) for the Interim Term thereof, the last day of the Interim Term for such Item; (ii) for the Basic Term thereof, each date on which a payment of Basic Rent is due and payable for such Item pursuant to Section 7(b) hereof; and (iii) for each Renewal Term thereof, each date on which a payment of Basic Rent is due and payable for such Item as provided in Section 29(a) hereof.

(au) "Rental Period" for each Item of Equipment means (i) for the Interim Term of such Item, the period from and inclusive of the Acceptance Date for such Item to, but not inclusive of, the Basic Term Commencement Date for such Item; (ii) for the Basic Term of such Item, each period for which a payment of Basic Rent is to be made for such Item during the Basic Term thereof as set forth on the Related Exhibit A for such Item (opposite the reference to Rental Periods for Basic Term); and (iii) for each Renewal Term of such Item, each period for which a payment of Basic Rent is to be made

for such Item during such Renewal Term as set forth on the Related Exhibit A for such Item (opposite the reference to Rental Periods for Renewal Term).

(av) "Return Date", for any Item of Equipment, means a date that is 30 Business Days prior to the Termination Date of such Item of Equipment.

(aw) "Security Agreement" means the Security Agreement dated as of the date hereof between Lessor, as debtor, and Assignee, as secured party, as the same may be modified, amended or supplemented from time to time in accordance with its terms, under and pursuant to which Lessor is assigning this Lease, and granting a security interest in this Lease and in each Item of Equipment, to Assignee, as provided in Section 14(b) hereof.

(ax) "Supplemental Payments" means all amounts, liabilities and obligations which Lessee assumes or agrees to pay hereunder to Lessor, Assignee or others, including payments of Casualty Loss Value, indemnities and any Reinvestment Premium that may be payable by Lessee hereunder, but excluding Basic Rent and Interim Rent.

(ay) "Term" means the full term of the Lease with respect to each Item of Equipment, including the Interim Term, the Basic Term and each Renewal Term.

(az) "Termination Date", for any Item of Equipment, means the last day of the Basic Term of such Item, or if the Term of such Item has been renewed pursuant to Section 29(a), the last day of the Renewal Term of such Item.

(ba) "Treasury Constant Yield", as of the date of determination of a Reinvestment Premium, means the yield on a hypothetical United States Treasury security with a Treasury Constant maturity matching the Remaining Average Life. The hypothetical Treasury security is to be derived by referring to the Federal Reserve Board's Statistical Release H-15 (519) (or its successor publication) published next preceding (by more than two business days) the date of such determination of the Reinvestment Premium. If there is a Treasury security listed in said Federal Reserve H-15 Release with a constant maturity equal to such Remaining Average Life, then the yield on such Treasury Security shall be the Treasury Constant Yield. If no such Treasury Security with such constant maturity exists, then the Treasury Security with a constant maturity closest to and lower than such Remaining Average Life shall be used.

The words "this Lease", "herein", "hereunder", "hereof" or other like words mean and include this Equipment Leasing Agreement, each Related Exhibit A, each Lease Supplement, and each amendment and supplement hereto and thereto.

2. Agreement for Lease of Equipment. Subject to, and upon all of the terms and conditions of this Lease, Lessor hereby agrees to lease to Lessee and Lessee hereby agrees to lease from Lessor each Item of Equipment for the Term with respect to such Item.

Provided that no Event of Default has occurred and is continuing hereunder, Lessor agrees that (i) it shall not interfere with Lessee's quiet enjoyment and use of any Item of Equipment leased hereunder during the Term thereof; (ii) Lessor will, at its own cost and expense, promptly take such action as may be necessary to discharge all Owner Liens on any part of the Equipment, other than any Permitted Owner Lien (in each case as defined in the Security Agreement); and (iii) Lessor has not mortgaged, pledged or hypothecated, and will not, until the Secured Obligations (as defined in the Security Agreement) have been fully paid and performed, mortgage, pledge or hypothecate (other than to Assignee) the Equipment or any part thereof or any of its interests therein, or any amount(s) to be received by it from the use or disposition of the Equipment or any part thereof.

3. Conditions Precedent. Lessor shall have no obligation to purchase any Item of Equipment and to lease the same to Lessee unless each of the following conditions are fulfilled to the satisfaction of Lessor: (a) no event which is (or with notice or lapse of time or both would become) an Event of Default or Event of Loss has occurred and is continuing, nor has any information come to Lessor's attention from which Lessor could reasonably and in good faith infer that such event might occur; (b) no material adverse change in the financial condition of Lessee (or of any Guarantor) which, in Lessor's opinion, would impair the ability of Lessee to pay and perform its obligations under this Lease (or of any Guarantor to pay and perform such obligations) has occurred since the date specified as the Financial Condition Reference Date on the Related Exhibit A for such Item; (c) such Item of Equipment is acceptable to Lessor, and is free of all Liens, other than any Lien specifically excepted in Section 15 hereof; (d) the Acceptance Date for such Item of Equipment is a date within the Acquisition Period specified on the Related Exhibit A for such Item and Lessee has executed and delivered to Lessor the Related Exhibit A for such Item; (e) the Acquisition Cost of such Item of Equipment, when added to the total Acquisition Cost of all Equipment of the type to which such Item relates and which has been leased hereunder or ordered by Lessor for lease hereunder, will not be such an amount so as to cause the Maximum Acquisition Cost

specified on the Related Exhibit A for such Item to be exceeded; (f) Lessor has received an invoice for such Item of Equipment from the seller thereof, approved for payment by Lessee, showing Lessor as the purchaser of such Item; (g) a Lease Supplement for such Item, duly executed by Lessee, and dated the Acceptance Date for such Item; (h) Lessor shall have received the Lessee's Acknowledgment, duly executed by Lessee; (i) Lessor shall have received such other documents, appraisals, opinions, certificates and waivers, in form and substance satisfactory to Lessor, as Lessor or Assignee may require; (j) all conditions precedent set forth in Section 3 of the Note Purchase Agreement with respect to such Item of Equipment shall have been satisfied or waived by Assignee, and Assignee shall have purchased the Note(s) issued with respect thereto and made the loan(s) to Lessor evidenced by the Note(s); (k) this Lease, each Lease Supplement, and the Security Agreement and any amendments or supplements thereof shall have been duly filed with the Interstate Commerce Commission pursuant to 49 U.S.C. Section 11303; and (l) Lessor and Assignee shall have received a written opinion of Messrs. Donelan, Cleary, Wood and Maser, special Interstate Commerce Commission counsel, in form and substance satisfactory to Lessor and Assignee.

4. Delivery, Acceptance and Leasing of Equipment. Lessor shall not be liable to Lessee for any failure or delay in obtaining any Item of Equipment or making delivery thereof. Forthwith upon delivery of each Item of Equipment to Lessee, Lessee will inspect such Item, and unless Lessee gives Lessor prompt written notice of any defect in or other proper objection to such Item, Lessee shall promptly upon completion of such inspection execute and deliver to Lessor a Lease Supplement for such Item, dated the Acceptance Date of such Item. The execution by Lessor and Lessee of a Lease Supplement for an Item of Equipment shall (a) evidence that such Item is leased under, and is subject to all of the terms, provisions and conditions of, this Lease, and (b) constitutes Lessee's unconditional and irrevocable acceptance of such Item for all purposes of this Lease. An Item of Equipment shall be conclusively deemed to relate to the particular numbered Related Exhibit A now or hereafter attached hereto and made a part hereof on which is set forth (i) a description of such Item or the type of Equipment to which such Item relates and (ii) the Acquisition Period within which the Acceptance Date for such Item has occurred.

5. Term. The Interim Term for each Item of Equipment shall commence on the Acceptance Date thereof, and, unless sooner terminated pursuant to the provisions hereof, shall end on the date immediately prior to the Basic Term Commencement Date thereof. The Basic Term for each Item of Equipment shall commence on the Basic Term Commencement Date thereof and, unless this Lease is sooner terminated with respect to such Item (or all Equipment) pursuant to the provisions hereof, shall end on the date specified therefor in the Lease Supplement for such Item. If not sooner terminated pursuant to the provisions hereof, the Term for each Item of Equipment shall end on the last day of the Basic Term thereof, or if this Lease is renewed pursuant to Section 29(a) hereof, on the last day of the last Renewal Term thereof.

6. Return of Equipment.

(a) Return Date. On the Return Date of each Item of Equipment (unless Lessee has exercised its purchase option with respect thereto pursuant to Section 29(b) hereof or a third party sale thereof acceptable to LC Issuer is to be consummated on the Termination Date with respect thereto pursuant to Section 29(c) hereof) Lessee will, at its expense, surrender and deliver possession of each Item of Equipment to Lessor at such location within the continental United States as shall be designated by Lessor in writing, or, in the absence of such designation, at the then location of each such Item; provided, however, that if such third party sale is not consummated on the Termination Date, for any reason, Lessee will return each Item of Equipment to Lessor pursuant to Section 29(c) hereof. At the time of such return to Lessor, each Item of Equipment (and each part or component thereof) shall (i) be in good operating order, and in the repair and condition as when originally delivered to Lessee, ordinary wear and tear from proper use thereof excepted, (ii) shall comply with all laws and rules referred to in Section 11, shall qualify for interchange service in accordance with the interchange rules of the Association of American Railroads, and shall have attached or affixed thereto any addition, modification or improvement considered an accession thereto as provided in Section 12 hereof and shall have removed in a workmanlike manner therefrom if so requested by the Lessor or any Assignee at the Lessee's expense (A) any addition, modification or improvement which, as provided in Section 12 hereof, is owned by the Lessee and (B) any insignia permitted pursuant to Section 13 hereof, and (iii) be free and clear of all Liens, other than a Permitted Lien of the type specified in Section 15(b)(i) or 15(b)(ii) hereof. For the purpose of delivering possession of any Items of Equipment as above required, the Lessee shall at its own cost, expense and risk:

(I) forthwith and in the usual manner (including, but not by way of limitation, to the extent legally required by applicable law, rules or regulations to protect the Lessor's or Assignee's interest in the Items of Equipment, giving prompt telegraphic and written notice to the Association of

American Railroads and all railroads to which any Items of Equipment have been interchanged or which may have possession thereof to return the Items of Equipment) and shall place such Items of Equipment upon such storage tracks within the continental United States as the Lessor reasonably may designate;

(II) cause such Items of Equipment to be stored on such tracks at the risk of the Lessee without charge to the Lessor or any Assignee for insurance, rent or storage until all such Items of Equipment have been sold, leased or otherwise disposed of by Lessor but not to exceed 30 days beyond the Termination Date, provided, that Lessor will reimburse Lessee for a pro rata portion of any insurance costs with respect to such 30-day period; and

(III) cause the same to be transported to any reasonable place within the continental United States as directed by the Lessor or Assignee.

During any such storage period, the Lessee will maintain and keep the Items of Equipment in the manner set forth in Section 11 hereof and permit Lessor or any Person designated by it, including the authorized representative or representatives of any prospective purchaser, lessee or other user of any Items of Equipment, to inspect the same.

(b) Return Condition Report. No Item of Equipment shall be deemed returned pursuant to this Section 6 or Section 29(c) hereof in compliance with the terms of this Lease unless LC Issuer shall have received, not later than the Termination Date with respect to such Item, the report (the "Return Condition Report") of a nationally recognized independent examiner (the "Examiner") mutually agreed by Lessee and LC Issuer, which agreement shall not be unreasonably withheld within seven (7) days after the Return Date, in form and substance satisfactory to LC Issuer, certifying that the Examiner has inspected each Item of Equipment then subject to this Lease, that each Item of Equipment has been returned to the location required by, and is in the condition required by, Section 6(a) hereof. The expense of the Return Condition Report shall be paid or reimbursed by the Lessee on the Termination Date of such Item.

(c) Continuing Rent Obligation. Until each Item of Equipment has been returned to Lessor in the condition required under Section 6(a) hereof, as evidenced by the Return Condition Report, Lessee shall continue to pay Lessor, on the same dates on which Basic Rent for such Item was payable during the Basic Term thereof or any Renewal Term thereof, the same Basic Rent for such Item that was payable on the last Rent Payment Date of the Basic Term thereof, or, if the Term of such Item has been renewed pursuant to Section 29(a), the same Basic Rent that was payable on each Rent Payment Date during the Renewal Term; provided, nevertheless, that notwithstanding that an Item of Equipment was returned to Lessor on the Return Date for such Item in the condition required by Section 6(a) hereof, Lessee's obligations to pay Basic Rent for such Item shall continue through the last Rent Payment Date for the then current Basic Term or Renewal Term thereof.

(d) Time of the Essence. The provisions of Section 6(a) and 6(b) are of the essence of this Lease, and any breach thereof shall be deemed an Event of Default hereunder, and upon application to any court of equity having jurisdiction in the premises, Lessor shall be entitled to a decree against Lessee requiring specific performance of the covenants of Lessee set forth in Section 6(a) and 6(b) hereof.

7. Rent.

(a) Interim Rent. Lessee hereby agrees to pay Lessor Interim Rent for each Item of Equipment as to which there is an Interim Term, payable on the Rent Payment Date of the Interim Term for such Item, in the amount obtained by multiplying (i) the Acquisition Cost of such Item of Equipment by (ii) the percentage set forth (opposite the Interim Rent Percentage reference) on the Related Exhibit A for such Item, by (iii) the number of days from and including the Acceptance Date for such Item through the end of the Interim Term for such Item.

(b) Basic Rent. Lessee hereby agrees to pay Lessor Basic Rent for each Item of Equipment during the Basic Term thereof at the times and on the Rent Payment Dates set forth on the Related Exhibit A for such Item and in an amount obtained by multiplying (i) the Acquisition Cost of such Item by (ii) the percentage of Acquisition Cost set forth (opposite the Basic Rent Percentage reference) on such Related Exhibit A. Notwithstanding anything to the contrary contained in any Principal Document, each installment of Basic Rent shall be under any circumstances and in any event, in an amount at least sufficient to pay in full, on the date on which such amount of Basic Rent is due, any payments then required to be made on account of the principal of and interest on the Notes.

(c) Supplemental Payments. Lessee also agrees to pay to Lessor, or to whomsoever shall be entitled thereto as expressly provided herein, all Supplemental Payments, promptly as the same shall become due and owing, and in the event of any

failure on the part of Lessee so to pay any such Supplemental Payment hereunder Lessor shall have all rights, powers and remedies provided for herein or by law or equity or otherwise in the case of nonpayment of Rent.

(d) Method of Payment. All payments of Rent and Supplemental Payments required to be made by Lessee to Lessor shall be made in good funds, in lawful money of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts. If the date that any payment of Rent is due is other than a Business Day the payment of Rent otherwise payable on such date shall be payable on the next succeeding Business Day. Until the indebtedness evidenced by the Notes shall have been discharged, all payments of Rent required to be made by Lessee to Lessor hereunder shall be made, in immediately available funds, by wire transfer to Assignee at such bank as may be designated by Assignee. Thereafter, all payments of Rent required to be made by Lessee to Lessor hereunder shall be paid to Lessor at its address specified at the beginning of this Lease or at such other address as Lessor may hereafter designate in writing to Lessee. All Excluded Amounts shall be paid directly to Lessor as specified in the preceding sentence. Time is of the essence in connection with the payment of Rent and Supplemental Payments.

8. Net Lease. This Lease is a net lease. Lessee acknowledges and agrees that its obligations hereunder, including, without limitation, its obligations to pay Rent for all Equipment leased hereunder and to pay all Supplemental Payments payable hereunder, shall be unconditional and irrevocable under any and all circumstances, shall not be subject to cancellation, termination, modification or repudiation by Lessee, and shall be paid and performed by Lessee without notice or demand and without any abatement, reduction, diminution, setoff, defense, counterclaim or recoupment whatsoever, including, without limitation, any abatement, reduction, diminution, setoff, defense, counterclaim or recoupment due or alleged to be due to, or by reason of, any past, present or future claims which Lessee may have against Lessor, Assignee, LC Issuer, any manufacturer or supplier of the Equipment or any Item thereof, or any other Person for any reason whatsoever, or any defect in the Equipment or any Item thereof, or the condition, design, operation or fitness for use thereof, any damage to, or any loss or destruction of, the Equipment or any Item thereof, or any Liens or rights of others (including ownership or claims of ownership) with respect to the Equipment or any Item thereof, or any prohibition or interruption of or other restriction against Lessee's use, operation or possession of the Equipment or any Item thereof, for any reason whatsoever, or any default by Lessor in the performance of any of its obligations herein contained, or any other indebtedness or liability, howsoever and whenever arising, of Lessor, or of Assignee, or of LC Issuer, or of Lessee to any other Person, or by reason of insolvency, bankruptcy or similar proceedings by or against Lessor, Assignee, Lessee or LC Issuer, or for any other reason whatsoever, whether similar or dissimilar to any of the foregoing, any present or future law to the contrary notwithstanding; it being the intention of the parties hereto that all Rent and Supplemental Payments payable by Lessee hereunder shall continue to be payable in all events and in the manner and at the times herein provided, without notice or demand, unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease.

9. Lessor's Title; Equipment to be and Remain Personal Property. Title to the Equipment shall at all times remain in Lessor and at no time during the Term shall title become vested in Lessee. This Lease is and is intended to be a true lease and not a lease intended as security or a lease in the nature of a security interest. Lessee shall acquire no right, title or interest in or to the Equipment, except the right to use the same pursuant to the terms of this Lease.

10. Use of Equipment; Compliance with Laws. Lessee agrees that the Equipment will be used and operated solely in the conduct of its business and in compliance with any and all insurance policy terms, conditions and provisions and with all statutes, laws, ordinances, rules and regulations of any Federal, state or local governmental body, agency or authority applicable to the use and operation of the Equipment, including, without limitation, environmental, noise and pollution laws (including notifications and reports). Lessee shall procure and maintain in effect all licenses, registrations, certificates, permits, approvals and consents required by Federal, state or local laws or by any governmental body, agency or authority in connection with the ownership, delivery, installation, use and operation of each Item of Equipment, including, without limitation, those required by environmental, noise and pollution laws (including notifications and reports). The Equipment will at all times be and remain in the possession and under the control of Lessee, subject to the Lessee's right to sublease the Equipment pursuant to Section 14(a). Lessee shall notify Lessor and Assignee of any change in its principal place of business set forth above. The Equipment shall in no event be located outside of the continental limits of the United States. Lessee shall use and operate the Equipment or cause it to be used and operated only by personnel authorized by Lessee, and Lessee shall use every reasonable precaution to prevent loss or damage to each Item of Equipment from fire and other hazards. Lessee shall not use any Unit of Equipment, or permit any Unit of Equipment to be used, for the transportation or storage of any substance which is categorized as,

or required to be labeled as, "poison" or "poisonous", "explosive" or "radioactive" (or any categories or labels substituted for such categories or labels as in effect on the day hereof) under 49 CFR 171 or other applicable Federal rules in effect from time to time regulating the transportation of hazardous materials. After the Closing Date Lessee shall not take any action so as to result in a prohibited transaction under Section 406 or 407 of ERISA or Section 4975 of the Internal Revenue Code, provided that Assignee and Lessor shall have complied with their respective covenants as to ERISA matters contained in the Note Purchase Agreement.

11. Maintenance and Repair of Equipment. Lessee agrees, at its own cost and expense, to keep, repair, maintain and preserve the Equipment in good order and operating condition, and in compliance with such maintenance and repair standards and procedures as are set forth in the manufacturer's manuals pertaining to the Equipment, and as otherwise may be required to enforce warranty claims against each vendor and manufacturer of each Item of Equipment, and in compliance with all requirements of law applicable to the use, maintenance and condition of the Equipment, including, without limitation, environmental, noise and pollution laws (including notifications and reports), and in compliance with the interchange rules of the Association of American Railroads (and qualify for interchange service in accordance with such interchange rules) and with all lawful rules of the United States Department of Transportation, the 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, maintenance or use of the Equipment, and in the event that such laws or rules require any alteration, replacement or addition of or to any part on any Equipment Lessee will conform therewith at its own expense. Lessee agrees to prepare and deliver to the Lessor and Assignee within a reasonable time prior to the required date of filing (or, to the extent permissible, file on behalf of Lessor and any Assignee) any and all reports (other than income tax returns) to be filed by Lessor or any Assignee with any Federal, state or other regulatory authority by reason of the ownership by Lessor or Assignee of the Units of Equipment or the leasing thereof to Lessee. Lessor agrees to inform Lessee of any request for such reports received by it. Lessee agrees to maintain all records, logs and other materials required by the Association of American Railroads or the Department of Transportation, or any other governmental authority having jurisdiction over the Units of Equipment or the Lessee, to be maintained in respect of each Unit of Equipment. Lessee hereby waives any right now or hereafter conferred by law to make repairs on the Equipment at the expense of Lessor.

12. Replacements; Alterations; Modifications. In case any Item of Equipment (or any equipment, part or appliance therein) is required to be altered, added to, replaced or modified in order to comply with any laws, regulations, requirements or rules ("Required Alteration") pursuant to Sections 10 or 11 hereof, Lessee agrees to make such Required Alteration at its own expense. In the event such Required Alteration is readily removable without causing material damage to the Item of Equipment, and is not a part, item of equipment or appliance which replaces any part, item of equipment or appliance originally incorporated or installed in or attached to such Item of Equipment on the Acceptance Date therefor or any part, item of equipment or appliance in replacement of or substitution for any such original part, item of equipment or appliance, any such Required Alteration shall be and remain the property of Lessee. To the extent such Required Alteration is not readily removable without causing material damage to the Item of Equipment to which such Required Alteration has been made, or is a part, item of equipment or appliance which replaces any part, item of equipment or appliance originally incorporated or installed in or attached to such Item of Equipment on the Acceptance Date therefor or any part, item of equipment or appliance in replacement of or substitution for any such original part, item of equipment or appliance, the same shall immediately be and become the property of Lessor and subject to the terms of this Lease. Lessee agrees that, within 30 days after the close of any calendar quarter in which Lessee has made any Required Alterations, Lessee will give written notice thereof to Lessor describing, in reasonable detail, the Required Alterations and specifying the cost thereof with respect to each Item of Equipment and the date or dates when made. Any parts installed or replacements made by Lessee upon any Item of Equipment pursuant to its obligation to maintain and keep the Equipment in good order, operating condition and repair under Section 11 hereof shall be considered accessions to such Item of Equipment and title thereto shall be immediately vested in Lessor. Except as required or permitted by the provisions of this Section 12, Lessee shall not modify an Item of Equipment without the prior written authority and approval of Lessor, unless such modification does not diminish the value, utility or useful life of such Item of Equipment.

13. Identification Marks; Legend; Inspection. Lessee will cause each Item to be kept numbered with the identification number as shall be set forth on the Lease Supplement therefor, and Lessee will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each Item, in letters not less than one inch in height, the words "Owned by BOT Financial Corporation, as Owner and subject to a Security Agreement in favor of Aid Association for Lutherans, filed with the Interstate Commerce Commission" or other appropriate words designated by Lessor or

Assignee, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect Lessor's title to and Assignee's interests in such Item and the rights of Lessor and of Assignee. The Lessee will replace promptly any such words which may be removed, defaced, obliterated or destroyed. The Lessee will not change the identification number of any Item unless and until (i) a statement of new number or numbers to be substituted therefor shall have been filed with Assignee and the Lessor and filed, recorded and deposited by the Lessee in all public offices where this Lease shall have been filed, recorded and deposited and (ii) the Lessee shall have furnished Assignee and Lessor an opinion of counsel in form and substance satisfactory to Lessor and Assignee to the effect that such statement has been so filed, recorded and deposited, such filing, recordation and deposit will protect any Assignee's and Lessor's interests in such Items and that no other filing, recording, deposit or giving of notice with or to any other Federal, state or local government or agency thereof is necessary to protect the interests of Assignee and Lessor in such Item. The Items of Equipment may be lettered with the names or initials or other insignia customarily used by Lessee but Lessee will not allow the name of any other Person, to be placed on any Item of Equipment as designation that might be interpreted as a claim of ownership thereto or a security interest therein by any Person other than Lessor or Assignee. Upon reasonable notice of Lessor and at a mutually agreed time and place, Lessee shall make the Equipment available to Lessor for inspection and shall also make Lessee's records pertaining to the Equipment available to Lessor for inspection. Any such inspection shall not interfere with the normal operation of the Equipment.

14. Assignment and Subleasing.

(a) By Lessee. LESSEE WILL NOT, WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR AND ASSIGNEE, ASSIGN, TRANSFER OR ENCUMBER ITS RIGHTS, INTERESTS OR OBLIGATIONS HEREUNDER AND ANY ATTEMPTED ASSIGNMENT, TRANSFER OR ENCUMBERING BY LESSEE SHALL BE NULL AND VOID. LESSEE MAY, WITHOUT LESSOR'S OR ASSIGNEE'S CONSENT, SUBLEASE ANY ITEM OF EQUIPMENT PROVIDED THAT (i) NO EVENT OF DEFAULT HAS OCCURRED AND IS CONTINUING HEREUNDER, (ii) ANY SUCH SUBLEASE SHALL BE SUBJECT AND SUBORDINATE IN ALL RESPECTS TO THIS LEASE AND THE RIGHTS OF LESSOR (AND ASSIGNEE) HEREUNDER, (iii) THE SUBLEASE TERM SHALL IN NO EVENT EXCEED THE THEN REMAINING PORTION OF THE TERM OF SUCH ITEM OF EQUIPMENT, AND, IN THE CASE OF ANY SUBLEASE HAVING A TERM OF SIX MONTHS OR MORE, (iv) LESSEE WILL PROVIDE LESSOR AND ASSIGNEE WITH THE NAME, ADDRESS AND PRINCIPAL PLACE OF BUSINESS OF EACH SUCH SUBLESSEE, AND (v) LESSEE SHALL, AND SHALL CAUSE ANY SUCH SUBLESSEE TO, EXECUTE AND DELIVER SUCH INSTRUMENTS (INCLUDING UNIFORM COMMERCIAL CODE FINANCING STATEMENTS, INTERSTATE COMMERCE COMMISSION FILINGS, AND AN ACKNOWLEDGMENT THAT SUCH SUBLEASE SHALL BE SUBJECT AND SUBORDINATE IN ALL RESPECTS TO THIS LEASE AND THE RIGHTS OF LESSOR AND ASSIGNEE HEREUNDER, WHICH ACKNOWLEDGMENT MAY BE CONTAINED IN THE SAID SUBLEASE) AS MAY BE REASONABLY REQUESTED BY LESSOR OR ASSIGNEE IN CONNECTION WITH ANY SUCH SUBLEASE, AND TO PROVIDE COPIES OF EACH SUBLEASE AGREEMENT TO LESSOR AND ASSIGNEE. NO SUCH SUBLEASING BY LESSEE WILL REDUCE ANY OF THE OBLIGATIONS OF LESSEE HEREUNDER OR THE RIGHTS OF LESSOR (AND ASSIGNEE) HEREUNDER, AND ALL OF THE OBLIGATIONS OF LESSEE HEREUNDER SHALL BE AND REMAIN PRIMARY AND SHALL CONTINUE IN FULL FORCE AND EFFECT AS THE OBLIGATIONS OF A PRINCIPAL AND NOT OF A GUARANTOR OR SURETY.

Notwithstanding the foregoing, so long as no Event of Default shall have occurred or be continuing hereunder, Lessee shall be entitled to the possession and use of the Items of Equipment upon lines of railroad owned or operated by it or upon lines of railroad over which Lessee has trackage or other operating rights or over which railroad equipment of Lessee is regularly operated pursuant to contract and shall be entitled to permit the use of the Items of Equipment upon connecting and other carriers in the usual interchange of traffic or pursuant to run-through agreements, provided, that Lessee's obligations hereunder shall continue in full force and effect as the obligations of a principal and not of a surety. Lessee may receive and retain compensation for the use of any of the Items of Equipment from railroads or other entities so using such Items of Equipment.

(b) By Lessor.

This Lease and all Rent and Supplemental Payments (except for the Excluded Amounts) due and to become due hereunder is being contemporaneously assigned by Lessor to Assignee, and Lessor is contemporaneously herewith granting a security interest in this Lease, in the Rent and all Supplemental Payments (except for the Excluded Amounts) due and to become due hereunder and in the Equipment, to Assignee, under the Security Agreement. Lessee and Lessor agree that the Rent and all Supplemental Payments (other than the Excluded Amounts) payable by Lessee hereunder shall be paid directly to Assignee or upon its written order until the indebtedness evidenced by the Notes shall have been discharged. Assignee may re-assign and/or grant a security interest in any of such rights, obligations, title or interest assigned to such Assignee. Lessee agrees to execute the Lessee's Acknowledgment and other documents that may be reasonably requested by Lessor or Assignee. Lessee acknowledges that any such assignment will not materially change its duties or materially increase its burdens or

risks hereunder. Each such assignment shall be subject to Lessee's rights hereunder so long as no Event of Default has occurred and is occurring hereunder.

Without limiting the foregoing or any of the provisions of Section 8 hereof, Lessee further acknowledges and agrees that (i) the rights of Assignee in and to the sums payable by the Lessee under any provision of this Lease shall not be subject to any abatement whatsoever and shall not be subject to any defense, set-off, counterclaim or recoupment whatsoever whether by reason of failure of or defect in Lessor's title or any interruption from whatsoever cause in the use, operation or possession of the Equipment or any Item thereof, or any damage to or loss or destruction of the Equipment or any Item thereof, or by reason of any other indebtedness or liability, howsoever and whenever arising, of Lessor to Lessee or to any other Person or for any cause whatsoever, it being the intent hereof that Lessee shall be unconditionally and absolutely obligated to pay directly to Assignee all of the Rent and all Supplemental Payments (except the Excluded Amounts, which, unless Lessor notifies Lessee to the contrary, shall remain payable directly to Lessor) payable by Lessee hereunder; (ii) Lessee's representations and warranties in this Lease (including, without limitation, in Section 22 hereof) shall be deemed to be made to and for the benefit of, Assignee as well as Lessor; and (iii) Assignee shall be entitled to the benefit of all covenants and obligations to be performed by Lessee under this Lease, except Lessee's covenants and obligations relating to Excluded Amounts. Notwithstanding the assignment to Assignee, Lessee and Lessor acknowledge that all obligations of Lessor to Lessee under this Lease shall be and remain enforceable by the Lessee against, and only against, Lessor.

Upon the payment in full of all Notes and the termination of Assignee's security interest in accordance with the provisions of the Security Agreement, the Lessor may, but subject always to Lessee's rights hereunder, re-assign, sell or transfer and/or grant a security interest in, this Lease, in whole or in part, any Lease Supplement(s) and/or Item(s) of Equipment to any Person, and upon notice of such assignment, sale, transfer or grant, Lessee shall comply with the requests and demands of such Person as if such Person was the Assignee hereunder. Lessee acknowledges receipt of an executed counterpart of the Note Purchase Agreement and the Security Agreement.

15. Liens. Lessee will not directly or indirectly create, incur, assume or suffer to exist any Lien on or with respect to (a) the Equipment or any part or Item thereof, Lessor's title thereto or any interest therein, or (b) this Lease or any of Lessor's interests hereunder, except (i) any Lien granted or placed thereon by Lessor or Assignee pursuant to Section 14(b) hereof or (ii) any Owner Lien as defined in the Security Agreement. Lessee, at its own expense, will promptly pay, satisfy and otherwise take such actions as may be necessary to keep this Lease and the Equipment free and clear of, and to duly discharge or eliminate or bond in a manner satisfactory to Lessor and Assignee, any such Lien not excepted above if the same shall arise at any time. Lessee will notify Lessor and Assignee in writing promptly upon becoming aware of any tax or other Lien (other than any lien excepted above) that shall attach to the Equipment or any Item of Equipment, and of the full particulars thereof.

16. Loss, Damage or Destruction.

(a) Risk of Loss, Damage or Destruction. Lessee hereby assumes all risk of loss, damage, theft, taking, destruction, confiscation, requisition or commandeering, partial or complete, of or to each Item of Equipment, however caused or occasioned, such risk to be borne by Lessee with respect to each Item of Equipment from the date of this Lease, and continuing until such Item of Equipment has been returned to Lessor in accordance with the provisions of Section 6 hereof or has been purchased by Lessee in accordance with the provisions of Section 29(b) hereof. Lessee agrees that no occurrence specified in the preceding sentence shall impair, in whole or in part, any obligation of Lessee under this Lease, including, without limitation, the obligation to pay Rent.

(b) Payment of Casualty Loss Value Upon an Event of Loss. If an Event of Loss occurs with respect to an Item of Equipment during the Term thereof, Lessee shall give Lessor and Assignee prompt written notice thereof and shall pay to Lessor on the Rent Payment Date next following the date of such Event of Loss (or on the last day of the Rental Period in which such Event of Loss occurs if there is no succeeding Rent Payment Date) the sum of (i) all unpaid Interim Rent and Basic Rent payable for such Item of Equipment prior to such Rent Payment Date, plus (ii) the Casualty Loss Value of such Item of Equipment as of the Rent Payment Date next following the date of such Event of Loss, plus (iii) the Basic Rent payable for such Item of Equipment for the Rental Period in which such Event of Loss has occurred plus (iv) all other Supplemental Payments due for such Item of Equipment as of the date of payment of the amounts specified in the foregoing clauses 16(b)(i), 16(b)(ii) and 16(b)(iii). Any payments received at any time by Lessor or by Lessee from any insurer or other party (except Lessee) as a result of the occurrence of such Event of Loss will be applied in reduction of Lessee's obligation to pay the foregoing amounts, if not already paid by

Lessee, or, if already paid by Lessee, will be applied to reimburse Lessee for its payment of such amount, unless an Event of Default shall have occurred and be continuing. Upon payment in full of such Casualty Loss Value, Basic Rent, Interim Rent and Supplemental Payments, (A) the obligation of Lessee to pay Rent hereunder with respect to such Item of Equipment shall terminate and the Term of such Item shall thereupon terminate, and (B) Lessee shall, as agent for Lessor, as soon as practicable, dispose of such Item or Items of Equipment in a manner reasonably acceptable to Lessor. As used in this Lease, the term "Casualty Loss Value" of any Item of Equipment as of any Rent Payment Date means an amount determined by multiplying the Acquisition Cost of such Item of Equipment by the percentage set forth opposite such Rent Payment Date on the schedule of Casualty Loss Values attached to and made a part of the Related Exhibit A for such Item.

(c) Application of Other Payments Upon Event of Loss. Any payments (including, without limitation, insurance proceeds and all condemnation or requisition payments in respect of any Item of Equipment) received at any time by Lessor or by Lessee from any insurer, governmental authority or other party or insurer (except Lessee) as a result of the occurrence of an Event of Loss will be applied as follows: (i) any such payments received at any time by Lessee shall be promptly paid to Lessor for application pursuant to the following provisions of this Section 16(c); (ii) so much of such payments as shall not exceed the amount of the Casualty Loss Value required to be paid by Lessee pursuant to Section 16(b) hereof shall be applied in reduction of Lessee's obligation to pay such amount, if not already paid by Lessee, or, if already paid by Lessee, shall be applied to reimburse Lessee for its payment of such amount, unless an Event of Default shall have occurred and be continuing; (iii) so much of such payments as shall not exceed the cost of any replacement Item or Items to be purchased pursuant to Section 16(e) hereof shall be applied for payment of (or to reimburse Lessee for its payment of) such replacement Item or Items, unless an Event of Default shall have occurred and be continuing; and (iv) the balance, if any, of such payments remaining thereafter shall be retained by Lessor.

(d) Application of Payments Not Relating to an Event of Loss. Any payments (including, without limitation, insurance proceeds) received at any time by Lessor or Lessee from any governmental authority or other party with respect to any loss or damage to any Item or Items of Equipment not constituting an Event of Loss, will be applied directly in payment of repairs or for replacement of property in accordance with the provisions of Section 11 and 12 hereof, if not already paid by Lessee, or if already paid by Lessee and no Event of Default shall have occurred and be continuing, shall be applied to reimburse Lessee for such payment, and any balance remaining after compliance with the provisions of said Sections with respect to such loss or damage shall be retained by Lessee.

(e) Replacement of Items. Upon the occurrence of an Event of Loss with respect to a Item of Equipment, upon written notice of such election to Lessor and any Assignee accompanying notification of such Event of Loss, Lessee may elect, in lieu of making a payment of the Casualty Loss Value of such Item of Equipment pursuant to Section 16(b) hereof, to subject to this Lease a railcar meeting the suitability standards hereinafter set forth. To be suitable as a replacement Item of Equipment, a railcar must be of the same general type, year of construction (or a later year of construction) function, utility, state of repair and operating condition as the Item of Equipment suffering the Event of Loss, must have a fair market value of not less than the fair market value (immediately preceding the Event of Loss assuming that such Item had been maintained in accordance with the terms of Section 11 of this Lease) of the Items of Equipment suffering the Event of Loss and be free and clear of any Liens not permitted under Section 15 hereof. Lessee shall cause a Lease Supplement and Bill of Sale, if any, to be executed to subject such replacement Item hereto and upon the accomplishment of the same and the receipt by Lessor and each Assignee an opinion of counsel as to the due recordation of Lease Supplement, the replacement item shall be deemed a "Item of Equipment" for all purposes hereof, and the Item of Equipment suffering the Event of Loss shall be released from this Lease.

17. Insurance. Lessee will cause to be carried and maintained, at its sole expense, with respect to the Equipment at all times during the Term thereof and until the Equipment has been returned to Lessor (a) physical damage insurance insuring against all risks of physical loss or damage to the Equipment, in an amount not less than the replacement value of the Equipment, and (b) comprehensive general public liability insurance for bodily injury, death and property damage resulting from the use and operation of the Equipment in an amount not less than \$25,000,000 per occurrence, in each case with exclusions and deductibles no greater than those applicable to insurance on similar equipment owned or leased by Lessee and no greater than those consistent with prudent utility practice for utilities similarly situated as the Lessee. Such insurance policy or policies will name Lessor and Assignee as the loss payees, as their interests may appear, on all policies referred to in clause 17(a) of the preceding sentence, and will name Lessor and Assignee as additional insureds on all policies referred to in clause 17(b) of the preceding sentence. Such policies will provide that the same may not be invalidated against Lessor or Assignee by reason of

any violation of a condition or breach of warranty of the policies or the application therefor by Lessee, that the policies may be canceled or materially altered or reduced in coverage (except as otherwise permitted under the terms of this Lease) by the insurer only after thirty (30) days' prior written notice to Lessor and Assignee. The policies of insurance required under this Section shall be valid and enforceable policies issued by insurers of recognized responsibility acceptable to Lessor and authorized to do an insurance business in the state in which each Item of Equipment is located. In the event that any of such policies referred to in clause 17(b) of the first sentence of this Section shall now or hereafter provide coverage on a "claims-made" basis, Lessee shall continue to maintain such policies in effect for a period of not less than three (3) years after the expiration of the Term of the last Item of Equipment leased to Lessee hereunder. Upon the execution of this Lease and thereafter not less than ten (10) days prior to the expiration dates of any expiring policies theretofore furnished under this Section, certificates of the insurance coverage required by this Section and, if reasonably requested by Lessor or Assignee, copies of the policies evidencing such insurance coverage, shall be delivered by Lessee to Lessor and each other named loss payee and/or additional insured, provided that each recipient thereof previously agrees not to disclose the contents thereof to third parties other than their auditors, attorneys, advisors and regulators or in response to court actions. Any certificate of insurance issued with respect to a blanket policy covering other equipment not subject to this Lease shall specifically describe the Equipment as being included therein and covered thereby to the full extent of the coverages and amounts required hereunder. If Lessee shall fail to cause the insurance required under this Section to be carried and maintained, with prior written notice to Lessee, Lessor or Assignee may provide such insurance and Lessee shall reimburse Lessor or Assignee, as the case may be, upon demand for the cost thereof as a Supplemental Payment hereunder.

18. General Tax Indemnity. Lessee agrees to pay, defend and indemnify and hold Lessor, Assignee and their respective successors and assigns harmless on an after-tax basis from any and all Federal, state, local and foreign taxes, fees, withholdings, levies, imposts, duties, assessments and charges of any kind and nature whatsoever, together with any penalties, fines or interest thereon (herein called "taxes or other impositions") howsoever imposed, whether levied or imposed upon or asserted against Lessor, Assignee, LC Issuer, Lessee, the Equipment or any Item of Equipment, or any part thereof, by any Federal, state or local government or taxing authority in the United States, or by any taxing authority or governmental subdivision of a foreign country, upon or with respect to (a) the Equipment or any Item of Equipment, or any part thereof, (b) the manufacture, construction, ordering, purchase, ownership, delivery, leasing, subleasing, re-leasing, possession, use, maintenance, registration, re-registration, documentation, return, repossession, sale or other application or disposition of the Equipment or any Item of Equipment, or any part thereof, (c) the rentals, receipts or earnings arising from the Equipment or any Item of Equipment, or any part thereof, (d) this Lease, each Lease Supplement, the Rent and/or Supplemental Payments payable by Lessee hereunder, or (e) any of the other Principal Documents, and any payment made pursuant thereto or any other transaction contemplated therein; provided, however, that the foregoing indemnity shall not apply to any taxes or other impositions based upon or measured solely by Lessor's or Assignee's net income, and which are imposed or levied by any Federal, state or local taxing authority in the United States. Lessee will promptly notify Lessor of all reports or returns required to be made with respect to any tax or other imposition with respect to which Lessee is required to indemnify hereunder, and will promptly provide Lessor with all information necessary for the making and timely filing of such reports or returns by Lessor. If Lessor requests that any such reports or returns be prepared and filed by Lessee, Lessee will prepare and file the same if permitted by applicable law to file the same, and if not so permitted, Lessee shall prepare such reports or returns for signature by Lessor, and shall forward the same, together with immediately available funds for payment of any tax or other imposition due, to Lessor, at least ten (10) days in advance of the date such payment is to be made. Upon written request, Lessee shall furnish Lessor with copies of all paid receipts or other appropriate evidence of payment for all taxes or other impositions paid by Lessee pursuant to this Section 18. All of the indemnities contained in this Section 18 shall continue in full force and effect notwithstanding the expiration or earlier termination of this Lease in whole or in part, including the expiration or termination of the Term with respect to any Item (or all) of the Equipment, and are expressly made for the benefit of, and shall be enforceable by, Lessor, Assignee and LC Issuer. All payments made by Lessee under this Section 18 shall be made directly to the Person entitled thereto.

19. Owner for Income Tax Purposes. Lessor agrees that Lessee shall be deemed the owner of the Equipment for federal, state and local income tax purposes and that, so long as no Event of Default shall have occurred and be continuing, Lessor shall take no action inconsistent with such ownership for income tax purposes.

20. Indemnification. Lessee hereby assumes liability for, and does hereby agree to indemnify, protect, save, defend, and hold harmless Lessor, Assignee, LC Issuer and their respective officers, directors, stockholders, successors, assigns,

agents and servants (each such party being herein, for purposes of this Section 20, called an "indemnified party") on an after-tax basis from and against any and all obligations, fees, liabilities, losses, damages, penalties, claims, demands, actions, suits, judgments, costs and expenses, including legal expenses, of every kind and nature whatsoever, imposed on, incurred by, or asserted against any indemnified party, in any way relating to or arising out of (a) the manufacture, construction, ordering, purchase, acceptance or rejection, ownership, titling or retitling, registration or re-registration, delivery, leasing, subleasing, releasing, possession, use, operation, storage, removal, return, repossession, sale or other disposition of the Equipment or any Item of Equipment or any part thereof, including, without limitation, any of such as may arise from (i) loss or damage to any property or death or injury to any persons, (ii) patent or latent defects in the Equipment (whether or not discoverable by Lessee or any indemnified party), (iii) any claims based on strict liability in tort, (iv) any claims based on patent, trademark, tradename or copyright infringement, or (v) any claims based on non-compliance with or violation of any environmental control, noise or pollution laws or requirements, including without limitation fines and penalties arising from violations of or noncompliance with such requirements or failure to report discharges, and costs of clean-up of any discharge; or (b) any failure on the part of Lessee to perform or comply with any of the terms of this Lease or any other Principal Document to which Lessee is a party. Lessee shall give each indemnified party prompt notice of any occurrence, event or condition known to Lessee as a consequence of which any indemnified party may be entitled to indemnification hereunder. Lessee shall forthwith upon demand of any such indemnified party reimburse such indemnified party for amounts expended by it in connection with any of the foregoing or pay such amounts directly. Lessee shall be subrogated to an indemnified party's rights in any matter with respect to which Lessee has actually reimbursed such indemnified party for amounts expended by it or has actually paid such amounts directly pursuant to this Section 20. In case any action, suit or proceeding is brought against any indemnified party in connection with any claim indemnified against hereunder, such indemnified party will, promptly after receipt of notice of the commencement of such action, suit or proceeding, notify Lessee thereof, enclosing a copy of all papers served upon such indemnified party, but failure to give such notice or to enclose such papers shall not relieve Lessee from any liability hereunder. Lessee may, and upon such indemnified party's request will, at Lessee's expense, resist and defend such action, suit or proceeding, or cause the same to be resisted or defended by counsel selected by Lessee and reasonably satisfactory to such indemnified party and in the event of any failure by Lessee to do so, Lessee shall pay all costs and expenses (including, without limitation, attorney's fees and expenses) incurred by such indemnified party in connection with such action, suit or proceeding. The provisions of this Section 20, and the obligations of Lessee under this Section 20, shall apply from the date of the execution of this Lease notwithstanding that the Term may not have commenced with respect to any Item of Equipment, and shall survive and continue in full force and effect notwithstanding the expiration or earlier termination of this Lease in whole or in part, including the expiration or termination of the Term with respect to any Item (or all) of the Equipment, and are expressly made for the benefit of, and shall be enforceable by, each indemnified party. All payments made by Lessee under this Section 20 shall be made directly to the Person entitled thereto.

21. NO WARRANTIES. LESSOR HEREBY LEASES THE EQUIPMENT TO LESSEE AS-IS AND EXPRESSLY DISCLAIMS AND MAKES NO REPRESENTATION OR WARRANTY, EITHER EXPRESSED OR IMPLIED, AS TO THE DESIGN, CONDITION, QUALITY, CAPACITY, MERCHANTABILITY, DURABILITY, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF, OR ANY OTHER MATTER CONCERNING, THE EQUIPMENT LESSEE HEREBY WAIVES ANY CLAIM (INCLUDING ANY CLAIM BASED ON STRICT OR ABSOLUTE LIABILITY IN TORT OR INFRINGEMENT) IT MIGHT HAVE AGAINST LESSOR FOR ANY LOSS, DAMAGE (INCLUDING INCIDENTAL OR CONSEQUENTIAL DAMAGE) OR EXPENSE CAUSED BY THE EQUIPMENT OR BY LESSEE'S LOSS OF USE THEREOF FOR ANY REASON WHATSOEVER. So long and only so long as a material Event of Default shall not have occurred and be continuing, and so long and only so long as the Equipment shall be subject to this Lease and Lessee shall be entitled to possession of the Equipment hereunder (as to which Lessor shall be entitled to notify the vendor of the Equipment), Lessor authorizes Lessee, at Lessee's expense, to assert for Lessor's account, all rights and powers of Lessor under any manufacturer's, vendor's or dealer's warranty on the Equipment or any part thereof; provided, however, that Lessee shall indemnify, protect, save, defend and hold harmless Lessor from and against any and all claims, and all costs, expenses, damages, losses and liabilities incurred or suffered by Lessor in connection therewith, as a result of, or incident to, any action by Lessee pursuant to the foregoing authorization.

22. Lessee's Representations and Warranties. Lessee hereby represents and warrants to Lessor and Assignee that (a) Lessee is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation set forth above, and is qualified to do business in, and is in good standing in, each state or other jurisdiction in which the nature of its business makes such qualification necessary (including each state or other jurisdiction in which the Equipment or any part thereof will be located); (b) Lessee has the corporate power and authority to execute and perform this Lease and to lease the Equipment hereunder, and has duly authorized the execution, delivery and performance of this Lease; (c) the leasing of

the Equipment from Lessor by Lessee, the execution and delivery of this Lease, each Lease Supplement, each other Principal Document to which Lessee is or may become a party, and other related instruments, documents and agreements, and the compliance by the Lessee with the terms hereof and thereof, and the payments and performance by Lessee of all of its obligations hereunder and thereunder (i) have been duly and legally authorized by appropriate corporate action taken by Lessee, (ii) are not in contravention of, and will not result in a violation or breach of, any of the terms of Lessee's Certificate of Incorporation (or equivalent document), its By-Laws, or of any provisions relating to shares of the capital stock of Lessee, and (iii) will not violate or constitute a breach of any provision of law, any order of any court or other agency of government, or any indenture, agreement or other instrument to which Lessee is a party, or by or under which Lessee or any of Lessee's property is bound, or be in conflict with, result in a breach of, or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement or instrument, or result in the creation or imposition of any Lien upon any of Lessee's property or assets; (d) this Lease and each other Principal Document to which Lessee is a party have been executed by the duly authorized officer or officers of Lessee and delivered to Lessor and constitutes, and when executed by the duly authorized officer or officers of Lessee and delivered to Lessor each Lease Supplement, each other Principal Document to which Lessee is or may become a party, and related instruments, documents and agreements with respect to each Item of Equipment will constitute, the legal, valid and binding obligations of Lessee, enforceable in accordance with their respective terms; (e) neither the execution and delivery of this Lease by Lessee or any Lease Supplement or any other Principal Document by Lessee, nor the payment and performance by Lessee of all of its obligations hereunder and thereunder, requires the consent or approval of, the giving of notice to, or the registration, filing or recording with, or the taking of any other action in respect of, any Federal, state, local or foreign government or governmental authority or agency or any other Person; (f) no mortgage, deed of trust, or other Lien which now covers or affects, or which may hereafter cover or affect, any property or interest therein of Lessee, now attaches or hereafter will attach to the Equipment or any Item of the Equipment, or in any manner affects or will affect adversely Lessor's right, title and interest therein or Assignee's security interest therein; (g) there is no litigation or other proceeding now pending or, to the best of Lessee's knowledge, threatened, against or affecting the Lessee, in any court or before any regulatory commission, board or other administrative governmental agency which would directly or indirectly adversely affect or impair the title of Lessor to the Equipment or the security interest of Assignee in the Equipment, this Lease and each Lease Supplement, or which, if decided adversely to Lessee, would materially adversely affect the business operations or financial condition of Lessee; (h) all balance sheets, statements of profit and loss and other financial data that have been delivered to Lessor or Assignee with respect to Lessee (i) are complete and correct in all material respects, (ii) accurately present the financial condition of Lessee on the dates for which, and the results of its operations for the periods for which, the same have been furnished, and (iii) have been prepared in accordance with generally accepted accounting principles consistently followed throughout the periods covered thereby; and as of the Acceptance Date of any Item of Equipment there has been no change in the condition of Lessee, financial or otherwise, since the date specified as the Financial Condition Reference Date on the Related Exhibit A for such Item; (i) Lessee holds all licenses, certificates and permits (including any applicable environmental permits) from governmental authorities necessary to use and operate the Equipment in accordance with the provisions of the Lease; (j) in reliance upon the representations of Lessor and Assignee set forth in the Note Purchase Agreement, Lessee has not entered into the Overall Transaction, directly or indirectly, in connection with any arrangement in any way involving any employee benefit plan or related trust to which it is a party in interest, all within the meaning of the Employment Retirement Income Security Act of 1974, as amended ("ERISA"), and the Internal Revenue Code; and (k) Lessee is not a "common carrier", as such term is defined in any provision of the Interstate Commerce Act, as amended, and no affiliation between Lessee and any "common carrier" requires, in connection with the execution, delivery or performance by the Lessee of this Lease and Lease Supplement and other related instruments, documents and agreements, the consent or approval of, or the registration with, or the taking of any other action in respect of, the Interstate Commerce Commission or the Securities and Exchange Commission.

23. Events of Default. Any of the following events shall constitute an Event of Default:

(a) Lessee shall fail to make any payment of Interim Rent or Basic Rent or any Supplemental Payment within five (5) days after the same is due and payable; or

(b) Lessee shall fail to observe or perform any of the covenants, agreements or obligations of Lessee set forth in Sections 6, 14(a), 17, 29 or 30 hereof; or

(c) Lessee shall fail to perform or observe any other covenant, condition, or agreement to be performed or observed by it under this Lease, or in any agreement or certificate furnished to Lessor or Assignee in connection herewith, and such failure

shall continue unremedied for thirty (30) days after written notice to Lessee specifying such failure and demanding the same to be remedied; or

(d) Lessee (or any Guarantor) shall be in default (i) under any lease, loan agreement or other agreement, instrument or document heretofore, now or hereafter entered into between Lessee (or any Guarantor) and Lessor or Assignee, or between Lessee (or any Guarantor) and any parent, subsidiary or affiliate of Lessor or Assignee, and such default shall have been declared by the party entitled to declare the same, or (ii) under any promissory note heretofore, now or hereafter executed by Lessee (or any Guarantor) and delivered to any party referred to in clause (i) above evidencing a loan made by any such party to Lessee (or any Guarantor), or (iii) in the payment or performance of any obligation of Lessee (or any Guarantor) to any Person (other than Lessor or Assignee, or any parent, subsidiary or affiliate of Lessor or Assignee, and other than any Guarantor) in excess of \$1,000,000 (excluding any such non-payment or non-performance which is being contested in good faith by Lessee or any Guarantor by appropriate proceedings, and the liability for which has not been reduced to judgment) relating to the payment of borrowed money or the payment of rent or hire under any lease agreement, and such obligation shall be declared to be due and payable or otherwise accelerated prior to the maturity thereof; or an attachment or other Lien shall be filed or levied against a substantial part of the property of Lessee (or any Guarantor), and such judgment shall continue unstayed and in effect, or such attachment or Lien shall continue undischarged or unbonded, for a period of 30 days; or

(e) Lessee (or any Guarantor) shall become insolvent or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver; or a trustee or a receiver shall be appointed for Lessee (or for any Guarantor) or for a substantial part of its property without its consent and shall not be dismissed for a period of 60 days; or any petition for the relief, reorganization or arrangement of Lessee (or any Guarantor), or any other petition in bankruptcy or for the liquidation, insolvency or dissolution of Lessee (or any Guarantor), shall be filed by or against Lessee (or any Guarantor) and, if filed against Lessee (or any Guarantor), shall be consented to or be pending and not dismissed for a period of 60 days, or an order for relief under any bankruptcy or insolvency law shall be entered by any court or governmental authority of competent jurisdiction with respect to Lessee (or any Guarantor); or any execution or writ or process shall be issued under any action or proceeding against Lessee whereby any of the Equipment may be taken or restrained; or Lessee's (or any Guarantor's) corporate existence shall cease; or Lessee (or any Guarantor) shall (whether in one transaction or a series of transactions), without Lessor's prior written consent, sell, transfer, dispose of, pledge or otherwise encumber, all or substantially all of its assets or property, or consolidate or merge with any other entity, or become the subject of, or engage in, a leveraged buy-out or any other form of corporate reorganization; or

(f) any material representation, warranty, statement or certification made by Lessee under this Lease or in any Lease Supplement or in any other Principal Document to which Lessee is or may become a party, or in any document or certificate furnished Lessor or Assignee in connection herewith or pursuant hereto (or made by any Guarantor under any Guaranty or other document or certificate furnished to Lessor or Assignee by any Guarantor), shall prove to be untrue or incorrect when made, or shall be breached.

24. Remedies Upon Default. Upon the occurrence of any Event of Default and at any time thereafter so long as the same shall be continuing, Lessor may exercise one or more of the following remedies as Lessor in its sole discretion shall elect:

(a) Lessor may terminate this Lease, without prejudice to any other remedies of Lessor hereunder, with respect to all or any Item of Equipment, and whether or not this Lease has been so terminated, may enter the premises of Lessee or any other party to take immediate possession of the Equipment and remove all or any Item of Equipment by summary proceedings or otherwise, or may cause Lessee, at Lessee's expense, to store, maintain, surrender and deliver possession of the Equipment or such Item in the same manner as provided in Section 6 hereof, all without liability to Lessor for or by reason of such entry or taking of possession, whether for the restoration of damage to property caused by such taking or otherwise;

(b) Lessor may hold, keep idle or lease to others the Equipment or any Item of Equipment, as Lessor in its sole discretion may determine, free and clear of any rights of Lessee and without any duty to account to Lessee with respect to such action or inaction or for any proceeds with respect thereto, except that Lessee's obligation to pay Basic Rent for any Rental Periods commencing after Lessee shall have been deprived of possession pursuant to this Section 24 shall be reduced by the net proceeds, if any, received by Lessor from leasing the Equipment or such Item to any Person other than Lessee for the same Rental Periods or any portion thereof;

(c) Lessor may sell the Equipment or any Item of Equipment at public or private sale as Lessor may determine, free and clear of any rights of Lessee, and

Lessee shall pay to Lessor, as liquidated damages for loss of a bargain and not as a penalty (in lieu of the Basic Rent due for the Equipment or Item(s) so sold for any Rental Period commencing after the date on which such sale occurs), the sum of (i) all unpaid Interim Rent and Basic Rent payable for each Item of Equipment for all Rental Periods through the date on which such sale occurs, plus (ii) an amount equal to the excess, if any, of (A) the Casualty Loss Value of the Item(s) of Equipment so sold, computed as of the Rent Payment Date coincident with or next preceding the date of such sale, over (B) the net proceeds of such sale, plus interest at the rate specified in Section 26 hereof on the amount of such excess from the Rent Payment Date as of which such Casualty Loss Value is computed until the date of actual payment, plus (iii) the Reinvestment Premium, plus (iv) all other unpaid Supplemental Payments due with respect to each Item of Equipment so sold;

(d) whether or not Lessor shall have exercised, or shall thereafter at any time exercise, any of its rights under subsection 24(a) or 24(b) above with respect to any Item(s) of Equipment, Lessor, by written notice to Lessee specifying a payment date, may demand that Lessee pay to Lessor, and Lessee shall pay to Lessor, on the payment date specified in such notice, as liquidated damages for loss of a bargain and not as a penalty (in lieu of the Basic Rent due for any Item(s) of Equipment for any Rental Period commencing after the payment date specified in such notice and in lieu of the exercise by Lessor of its remedies under subsection 24(b) above in the case of a re-lease of such Item(s) or under subsection 24(c) above with respect to a sale of such Item(s)), the sum of (i) all unpaid Interim Rent and Basic Rent payable for such Item(s) for all Rental Periods through the payment date specified in such notice, plus (ii) all unpaid Supplemental Payments due with respect to such Item(s) as of the payment date specified in such notice, plus (iii) whichever of the following amounts Lessor, in its sole discretion, shall specify in such notice (together with interest on such amount at the rate specified in Section 26 hereof from the payment date specified in such notice to the date of actual payment): (A) an amount, with respect to each such Item, equal to the Basic Rent payable for such Item for the remainder of the Maximum Term, after discounting such Basic Rent payment to present worth as of the payment date specified in such notice at the Discount Rate (hereinafter defined), or (B) an amount, with respect to each such Item, equal to the Casualty Loss Value of such Item computed as of the Rent Payment Date coincident with or next preceding the payment date specified in such notice; provided, however, that with respect to any such Item returned to or repossessed by Lessor, the amount recoverable by Lessor pursuant to the foregoing clause 24(d)(iii)(B) shall be reduced (but not below zero) by an amount equal to the fair market sales value of such Item as of the date on which Lessor has obtained possession of such Item; and

(e) Lessor may exercise any other right or remedy which may be available to it under applicable law or proceed by appropriate court action to enforce the terms hereof or to recover damages for the breach hereof or to rescind this Lease.

In addition, Lessee shall be liable for all costs and expenses, including attorney's fees, incurred by Lessor or Assignee by reason of the occurrence of any Event of Default or the exercise of Lessor's remedies with respect thereto, including all costs and expenses incurred in connection with the return of the Equipment in accordance with Section 6 hereof or in placing the Equipment in the condition required by said Section. For the purpose of subsection 24(d) above, the "fair market sales value" of any Item of Equipment shall mean such value as has been determined by an independent qualified appraiser selected by Lessor. Except as otherwise expressly provided above, no remedy referred to in this Section 24 is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to above or otherwise available to Lessor at law or in equity; and the exercise or beginning of exercise by Lessor of any one or more of such remedies shall not constitute the exclusive election of such remedies and shall not preclude the simultaneous or later exercise by Lessor of any or all of such other remedies. No express or implied waiver by Lessor of any Event of Default shall in any way be, or be construed to be, a waiver of any future or subsequent Event of Default. Nothing in this Section 24 shall constitute a waiver by Lessee of any rights now or hereafter conferred by statute or otherwise which may require Lessor to sell, lease or otherwise use the Equipment in mitigation of Lessor's damages as set forth in this Section 24 or which may otherwise limit or modify any of Lessor's rights and remedies in this Section 24. As used herein, the term "Discount Rate" means the discount rate of the Federal Reserve Bank of Boston, Massachusetts, that is in effect on the payment date specified in any notice given by Lessor to Lessee pursuant to subsection (d) of this Section 24.

25. Lessor's Right to Perform for Lessee. If Lessee fails to make any Supplemental Payment required to be made by it hereunder or fails to perform or comply with any of its agreements contained herein, Lessor may itself, after notice to Lessee, make such payment or perform or comply with such agreement, and the amount of such payment and the amount of the reasonable expenses of Lessor incurred in connection with such payment or the performance of or compliance with such agreement, as the case may be, together with interest thereon at the rate specified in Section 26 hereof, shall, if not paid by Lessee to Lessor on demand, be deemed a Supplemental Payment hereunder;

provided, however, that no such Payment, performance or compliance by Lessor shall be deemed to cure any Event of Default hereunder.

26. Late Charges. Lessee shall pay to Lessor, upon demand, to the extent permitted by applicable law, interest on any installment of Basic Rent or Interim Rent not paid when due, and on any Supplement Payment or other amount payable under this Lease which is not paid when due, for any period for which any of the same is overdue (without regard to any grace period) at a rate equal to the lesser of (a) 20% per annum, or (b) the maximum rate of interest permitted by law.

27. Further Assurances. Lessee will promptly and duly execute and deliver to Lessor and Assignee such other documents and assurances, including, without limitation, such amendments to this Lease as may be reasonably required by Lessor and by Assignee, and Uniform Commercial Code financing statements and continuation statements and filings with the Interstate Commerce Commission, and will take such further action as Lessor or Assignee may from time to time reasonably request in order to carry out more effectively the intent and purposes of this Lease and to establish and protect the rights and remedies created or intended to be created in favor of Lessor and of Assignee and their respective rights, title and interests in and to the Equipment.

28. Notices. All notices provided for or required under the terms and provisions hereof shall be in writing, and any such notice shall be deemed given when personally delivered or when deposited in the United States mails, with proper postage prepaid, for first class certified mail, return receipt requested, addressed as follows:

If to Lessor: BOT Financial Corporation
125 Summer Street
Boston, MA 02110

Attention: Senior Vice President-- Administration

If to Lessee: Northern States Power Company
414 Nicollet Mall
Minneapolis, MN 55401

Attention: Fuel Resources Manager--Fuel Resources Department

with a copy to: Northern States Power Company
414 Nicollet Mall
Minneapolis, MN 55401

Attention: Office of Counsel

If to Assignee: Aid Association for Lutherans
(for notices 4321 North Ballard Road
regarding Appleton, Wisconsin 54919-0001
payments)

Attention: Investment Accounting

If to Assignee: Aid Association for Lutherans
(for other 4321 North Ballard Road
notices) Appleton, Wisconsin 54919-0001

Attention: Investment Department

or to such other address as Lessor, Lessee or Assignee may, from time to time, designate in writing.

29. Lessee's Renewal and Purchase Options; Third Party Sale.

(a) Lessee's Renewal Option. If (i) no Event of Default shall have occurred and be continuing and (ii) this Lease shall not have been earlier terminated, Lessee shall be entitled to renew this Lease with respect to all, but not less than all, Items of Equipment then subject to this Lease for the Renewal Term(s) specified on the Related Exhibit A for such Item. The first Renewal Term with respect to each such Item of Equipment will commence at the expiration of the Basic Term of such Item, and each succeeding Renewal Term will commence at the expiration of the next preceding Renewal Term. All of the provisions of this Lease, including the Basic Rent percentage, shall be applicable during each Renewal Term for each such Item of Equipment, except that Basic Rent during each Renewal Term shall be payable at the times and on the Rent Payment Dates set forth on said Related Exhibit A. If Lessee intends not to exercise said renewal option with respect to any of said Renewal Terms, Lessee shall give written notice to Lessor to such effect at least one hundred eighty (180) days prior

to the expiration of the Basic Term of the Item(s) of Equipment whose Basic Term first expires hereunder, in the case of the first Renewal Term, and at least one hundred eighty (180) days prior to the expiration of the then current Renewal Term of the Item(s) of Equipment whose Basic Term first expires hereunder, in the case of the then next succeeding Renewal Term. If Lessee fails to give such written notice to Lessor with respect to any of said Renewal Terms, it shall be conclusively presumed that Lessee has elected to exercise said renewal option with respect to said Renewal Term. In the event Lessee elects not to exercise said renewal option (unless Lessor has otherwise agreed in writing or Lessee has exercised its purchase option under Section 29(b) hereof) each such Item of Equipment shall be returned to Lessor or delivered to a third party in accordance with the provisions of Section 29(c) hereof and until each such Item has been so returned or delivered Lessee shall continue to pay Lessor the Basic Rent for each such Item as specified in Section 6(c) hereof.

(b) Lessee's Purchase Option. If (i) no Event of Default shall have occurred and be continuing, and (ii) this Lease shall not have been earlier terminated, Lessee shall be entitled, at its option, upon written notice to Lessor, as hereinafter provided, to purchase all, but not less than all, Items of Equipment then subject to this Lease, on the Termination Date for each such Item of Equipment, for an amount (the "Purchase Option Amount"), with respect to each Item of Equipment, payable in immediately available funds, equal to the sum of (A) the Estimated Residual Value of such Item of Equipment applicable to the Basic Term or Renewal Term thereof then ending, plus (B) any applicable sales, excise or other taxes imposed as a result of such sale (other than gross or net income taxes attributable to such sale), plus (C) any Supplemental Payments then due and owing to Lessor hereunder, plus, in the event that Lessee exercises its purchase option hereunder prior to the end of the Maximum Term, (D) the Reinvestment Premium. Lessor's sale of each Item of Equipment shall be on an as-is, where-is basis, without any representation by, or recourse or warranty to, Lessor except, after giving effect to the payment of the purchase price of the Equipment, as to the absence of Liens created by, through or under Lessor. / If Lessee intends to exercise said purchase option, Lessee shall give written notice to Lessor to such effect at least one hundred eighty (180) days prior to the expiration of the Basic Term of the Item(s) of Equipment whose Basic Term first expires hereunder, or, if Lessee has renewed this Lease pursuant to Section 29(a) hereof, then at least one hundred eighty (180) days prior to the expiration of the then current Renewal Term of the Item(s) of Equipment whose Basic Term first expires hereunder. If Lessee gives such written notice to Lessor same shall constitute a binding obligation of Lessee to purchase all of such Items of Equipment and to pay Lessor the Purchase Option Amount on the Termination Date thereof. Lessor's obligation to sell (or cause to be sold) any Item of Equipment to Lessee hereunder is contingent upon Lessor's receipt of the Purchase Option Amount payable by Lessee with respect thereto.

(c) Third Party Sale of Equipment.

(i) Remarketing Obligations. In the event Lessee does not exercise either its option to renew this Lease or to purchase the Equipment at least one hundred eighty (180) days prior to the expiration of the Basic Term of the Item(s) of Equipment whose Basic Term first expires hereunder, or, if Lessee has renewed this Lease pursuant to Section 29(a) hereof, then at least one hundred eighty (180) days prior to the expiration of the then current Renewal Term of the Item(s) of Equipment whose Basic Term first expires hereunder, Lessee shall have the obligation during the remainder of the Basic Term, or Renewal Term if applicable (the "Remarketing Period"), to obtain bona fide bids for not less than all Items of Equipment then subject to this Lease from prospective purchasers who are financially capable of purchasing such Items of Equipment for cash on an as-is, where-is basis, without recourse or warranty except, after giving effect to the payment of the purchase price of the Equipment, as to the absence of Liens created by, through or under Lessor, on the Termination Date for such Items. All bids received by Lessee prior to the end of the Basic Term, or Renewal Term if applicable, of each such Item of Equipment shall be immediately certified to Lessor in writing, setting forth the amount of such bid and the name and address of the person or entity submitting such bid. Notwithstanding the foregoing, LC Issuer shall have the right, but not the obligation, to seek bids for the Equipment during the Remarketing Period.

(ii) Delivery of Equipment to Third Party Buyer. No later than the Termination Date with respect to each such Item of Equipment then subject to this Lease, Lessee, subject to the rights of the LC Issuer pursuant to Section 29(c)(ii)(B) hereof, shall deliver each Item of Equipment to the bidder, if any, who shall have submitted such highest bid during the Remarketing Period, and Lessor shall simultaneously therewith sell (or cause to be sold) for cash on an as-is, where-is basis and without recourse or warranty such Item of Equipment except, after giving effect to the payment of the purchase price of the Equipment, as to the absence of Liens created by, through or under Lessor, to such bidder, provided, that (A) any such sale to a third party shall be consummated, and the sales price for such Item shall be paid to Lessor in immediately available funds, on or before such Termination Date, (B) Lessor shall not without the prior written consent of LC Issuer, sell any Item of

Equipment if the Net Proceeds of Sale of such Item are less than the Maximum Lessor Risk Amount applicable to such Item as of the Termination Date, and (C) the total selling price realized from the sale of any such Item of Equipment to a third party shall be retained by Lessor, subject to the End of Term Adjustment pursuant to the third sentence of Section 30(a) hereof for such Item.

(d) Equipment Return. If a sale of not less than all Items of Equipment to Lessee pursuant to Section 29(b) hereof or to a third party pursuant to Section 29(c) hereof is not consummated on the Termination Date of such Items, for whatever reason, Lessee shall return all Items of Equipment to Lessor on the Termination Date thereof in the condition specified in Section 6(a) hereof and Lessee shall be obligated to provide the Return Condition Report from the Examiner on such Termination Date in accordance with the provisions of Section 6(b) hereof and shall be obligated as provided in Sections 6(c) and 30(b) hereof.

30. End of Term Adjustment.

(a) Third Party Sale of Equipment. This Section 30(a) shall apply only if with respect to each Item of Equipment, a sale of such Item of Equipment to a third party pursuant to Section 29(c) hereof has been consummated on the Termination Date thereof. If on the Termination Date with respect to each Item of Equipment, the Net Proceeds of Sale of such Item is less than the Estimated Residual Value of such Item as of such Termination Date, Lessee shall, on the Termination Date of such Item, pay to Lessor as an End of Term Adjustment, in immediately available funds, an amount equal to such deficiency (a "Deficiency") as an adjustment to the Rent payable under this Lease for such Item; provided, however, that if the LC Issuer determines that all of the Limited Lessee Risk Conditions have been met, the amount of the Deficiency payable by Lessee with respect to such Item shall not exceed the Maximum Lessee Risk Amount then applicable to such Item, provided, that nothing in this sentence shall be deemed a waiver of Lessee's right to claim pursuant to Section 30(e), that notwithstanding any determination of LC Issuer to the contrary, the Limited Lessee Risk Conditions have in fact been met as of the Termination Date, in which event, if Lessee shall have paid the full amount of any Deficiency, Lessee shall be entitled to receive a refund of the Lessor Risk Amount from Lessor or LC Issuer. If the Net Proceeds of Sale of each such Item of Equipment exceeds the Estimated Residual Value of each such Item and if all of the Limited Lessee Risk Conditions have been met, Lessor shall pay to Lessee an amount equal to such excess as an adjustment to the Rent payable under this Lease for such Item; provided, however, that Lessor shall have the right to offset against such adjustment payable by Lessor, any amounts then due and payable from Lessee to Lessor hereunder. Lessee shall also pay to lessor on the Termination Date for each such Item, all Supplemental Payments then due and owing with respect to such Item. Lessor's obligation to sell (or cause to be sold) any Item of Equipment to a third party under Section 29(c) is contingent upon the receipt of the amounts, if any, payable by Lessee with respect thereto pursuant to this Section 30(a) and Section 30(c).

(b) Lessee Payment. If a sale of all Items of Equipment then subject to this Lease either to the Lessee pursuant to Section 29(b) hereof or to a third party pursuant to Section 29(c) hereof has not been consummated on the Termination Date with respect thereto, then the Lessee shall, on the Termination Date of such Items, pay to Lessor as an End of Term Adjustment, in immediately available funds, an amount equal to (i) the Maximum Lessee Risk Amount, if LC Issuer determines that all of the Limited Lessee Risk Conditions have been met as of such Termination Date, or (ii) the Estimated Residual Value of all such Items, if LC Issuer determines that all of the Limited Lessee Risk Conditions have not been met as of such Termination Date, plus, in either case, all Supplemental Payments then due and owing with respect to such Items. The total selling price realized from any sale of any such Item of Equipment after the Termination Date shall be retained by Lessor, and Lessor shall have the sole and exclusive control over the terms and conditions, including without limitation the purchase price, of any such subsequent sale; provided, that in such event, if Lessor shall subsequently sell the Equipment to a third party, Lessor shall refund to Lessee the portion, if any, of the Net Proceeds of Sale in excess of the sum of (i) any unpaid Rent and Supplemental Payments, plus, if payment has been made by the LC Issuer under the Letter of Credit or shall be made by Lessor pursuant to Section 30(e), (ii) the sum of (A) the Maximum Lessor Risk Amount, plus (B) accrued interest on the Maximum Lessor Risk Amount from and after the Termination Date through and including the date of consummation of such sale, at a rate equal to the rate set forth in Section 26 hereof; and further provided, that any amount payable by Lessor to Lessee under the next preceding proviso shall not exceed the Estimated Residual Amount determined as of the Termination Date, reduced by any unpaid Rent and Supplemental Payments. Lessee shall remain liable for the payment of, and upon the consummation by Lessor of the sale of any Items of Equipment after the Termination Date thereof Lessee shall pay or reimburse Lessor for the payment of, all applicable sales, excise or other taxes imposed as a result of such sale, other than gross or net income taxes attributable to such sale. Nothing in this paragraph shall be deemed a waiver of Lessee's right to claim pursuant to Section 30(e), that notwithstanding any determination of LC Issuer to the contrary, the Limited Lessee Risk Conditions have in fact been met as of the Termination Date,

in which event, if Lessee shall have paid the amount described in clause (ii) of this paragraph as an End of Term Adjustment, Lessee shall be entitled to receive a refund of the Lessor Risk Amount from Lessor or LC Issuer.

(c) Reinvestment Premium. In the event a Termination Date of any Item of Equipment occurs prior to the last day of the Maximum Term hereof relating to such Item, Lessee shall pay to Lessor on the Termination Date of such Item, in addition to any other obligations hereunder, the Reinvestment Premium relating to such Item.

(d) Certain Definitions.

(i) "Limited Lessee Risk Conditions" means all of the following: (A) no Event of Loss shall have occurred as to any Item of Equipment to which Section 30(a) or 30(b) becomes applicable; (B) no Event of Default or event which, with notice or passage of time or both would constitute an Event of Default, shall have occurred and be continuing hereunder; (C) Lessee has not exercised its purchase option under Section 29(b) hereof with respect to all, but not less than all, Items of Equipment then subject to this Lease; (D) either (x) a sale to a third party of not less than all Items of Equipment then subject to this Lease has been consummated and Lessor has received, in immediately available funds, on the Termination Date of all of such Items the Net Proceeds of Sale of such Items plus payment of the Maximum Lessee Risk Amount applicable to such Items of Equipment, and any Supplemental Payment then due and owing hereunder with respect to such Items, or (y) a sale to a third party of not less than all Items of Equipment then subject to this Lease has not been so consummated on the Termination Date thereof, and all Items of the Equipment then subject to this Lease have been returned to Lessor on the Return Date in the condition required by Section 6(a) hereof, and Lessor has received the Return Condition Report with respect thereto from the Examiner on or before the Termination Date certifying to the effect set forth in Section 6(b) hereof, and Lessor has received, in immediately available funds on the Termination Date, payment of the Maximum Lessee Risk Amount applicable to such Items of Equipment, and any Supplemental Payment then due and owing hereunder with respect to such Items; (E) this Lease shall not have terminated prior to the Termination Date; and (F) this Lease shall not have been amended, modified or supplemented without the prior written consent of LC Issuer.

(ii) The term "End of Term Adjustment" means the amounts payable pursuant to Section 30(a) or, as applicable, 30(b).

(iii) The term "Net Proceeds of Sale" means with respect to each Item of Equipment sold by Lessor to a third party pursuant to Section 29(c) or 30(b), the net amount of the proceeds of sale of such Item, after deducting from the gross proceeds of such sale (i) all sales taxes and other taxes (excluding income taxes on or measured by Lessor's income) as may be applicable to the sale or transfer of such Item, (ii) all fees, costs and expenses of such sale incurred by Lessor and (iii) any other amounts for which, if not paid, Lessor would be liable or which, if not paid, would constitute a Lien on such Item.

(e) Time of the Essence. The provisions of Sections 29 and 30 are of the essence of this Lease, and time is of the essence for any payment and performance of the obligations of the Lessee set forth therein. If (i) the Lessor (or, until the indebtedness evidenced by the Notes and all other amounts secured under the Security Agreement shall have been fully discharged, the Assignee) has not received all moneys, data and consents sufficiently in advance of the Termination Date (not later than the Return Date, in the case of data and consents), or if, immediately prior to or on the Termination Date the Equipment is not free and clear of all Owner Liens, as defined in the Security Agreement so as, in each instance, to enable Lessor (or, until the indebtedness evidenced by the Notes and all other amounts secured under the Security Agreement shall have been fully discharged, the Assignee), in good faith, to complete and present the Drawing Certificate referred to in the Letter of Credit and draw upon the Letter of Credit, all as provided in the Letter of Credit, or if (ii) there exists any dispute or disagreement concerning the obligations or rights of the Lessee, the Lessor and/or the LC Issuer, or whether each has performed all of its respective obligations hereunder, or whether the Lessor (or, until the indebtedness evidenced by the Notes and all other amounts secured under the Security Agreement shall have been fully discharged, the Assignee) has received such moneys, data and consents, or whether the Equipment is free and clear of all Owner Liens, or whether all of the Limited Lessee Risk Conditions have been met, so that the Lessor (or, until the indebtedness evidenced by the Notes and all other amounts secured under the Security Agreement shall have been fully discharged, the Assignee), in good faith, is not able to complete and present the Drawing Certificate referred to in the Letter of Credit and draw upon the Letter of Credit, all as provided in the Letter of Credit, then (iii) provided that Lessee shall have received a validly executed and enforceable Assignment Agreement of the Assignee in the form attached to the Letter of Credit as Attachment 5, Lessee shall pay to Lessor (or, until the indebtedness evidenced by the Notes and all other amounts secured under the Security Agreement shall have been fully discharged, by wire transfer to Assignee at such bank as may be designated by Assignee), in immediately available

funds, the full amount of the Deficiency described in Section 30(a) or, as applicable, the Estimated Residual Value pursuant to Section 30(b). Nothing in this Section 30(e) shall be deemed a waiver of Lessee's right to claim a refund of the Lessor Risk Amount (in the event that a third party sale of the Equipment shall have been consummated on the Termination Date pursuant to Section 30(a)), or, as applicable, the Maximum Lessor Risk Amount from Lessor (in the event that a sale of the Equipment to Lessee pursuant to Section 29(b) or to a third party pursuant to Section 29(c) hereof has not been consummated on the Termination Date), from Lessor, if Lessee has made a payment to Lessor (or, as applicable, Assignee) pursuant to this Section 30(e) and the Limited Lessee Risk Conditions have in fact been met as of the applicable Termination Date.

31. Financial Information. Lessee agrees to furnish Lessor and Assignee (a) as soon as available, and in any event within 120 days after the last day of each fiscal year of Lessee, a copy of the consolidated balance sheet of Lessee and its consolidated subsidiaries as of the end of such fiscal year, and related consolidated statements of income and retained earnings of Lessee and its consolidated subsidiaries for such fiscal year, certified by an independent certified public accounting firm of recognized standing, each on a comparative basis with corresponding statements for the prior fiscal year, and a copy of Lessee's form 10-K, if any, filed with the Securities and Exchange Commission for such fiscal year; (b) within 45 days after the last day of each fiscal quarter of Lessee (except the last such fiscal quarter), a copy of the balance sheet as of the end of such quarter, and statement of income and retained earnings covering the fiscal year to date of Lessee and its consolidated subsidiaries, each on a comparative basis with the corresponding period of the prior year, all in reasonable detail and certified by the treasurer or principal financial officer of Lessee, together with a copy of Lessee's form 10-Q, if any, filed with the Securities and Exchange Commission for such quarterly period; (c) contemporaneously with its transmittal to each stockholder of Lessee and to the Securities and Exchange Commission, all such other financial statements and reports as Lessee shall send to its stockholders and to the Securities and Exchange Commission; (d) as soon as available to Lessee, the notice of any adjustment resulting from any audit of the books and/or records of Lessee by any taxing authority having jurisdiction over Lessee; and (e) such additional financial information as Lessor or Assignee may reasonably request concerning Lessee.

32. Expenses. Lessee agrees, whether or not the transactions contemplated by this Lease are consummated, for the sole benefit of Lessor and Assignee, to pay (or reimburse Lessor and Assignee for the payment of) all legal fees and expenses, in connection with (a) the negotiation and documentation of this Lease, the Note Purchase Agreement, the Notes, the Security Agreement and other related instruments and documents, and (b) the acquisition and ownership of the Equipment and the perfection

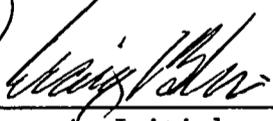
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by Assignee of a valid first priority security interest therein and in the Collateral (as defined in the Security Agreement); and Lessee will pay the expenses of lien searches, filing fees, and fees and expenses relating to the titling and registration of any Item(s) of Equipment, incurred by or on behalf of Lessor or Assignee, including, without limitation, the fees and disbursements of Messrs. Donelan, Cleary, Wood and Maser, Lessor's and Assignee's special Interstate Commerce Commission counsel, incurred in connection with the recordation of Lessor's and Assignee's respective interests therein. Lessee, at its own expense, will cause this Lease and all Lease Supplements, and the Security Agreement and any amendments or supplements thereto, to be filed with the Interstate Commerce Commission pursuant to 49 U.S.C. Section 11303.

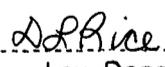
33. No Reliance. Lessee hereby acknowledges that in negotiating the terms of this Lease and all other related agreements and documents, it has sought, obtained and relied exclusively upon such accounting, actuarial, tax and legal advice from its own or other independent sources as it has deemed necessary, and further acknowledges that neither Lessor nor any of Lessor's parent, subsidiaries, affiliates or personnel has represented or warranted the legal, tax economic, accounting, or other consequences of the terms and provisions hereof and of the other related agreements and documents.

34. Federal Bankruptcy Act. Lessee and Lessor hereby acknowledge that this Lease is a "lease" for purposes of Section 1168 of the United States Bankruptcy Code of 1978, as amended (11 U.S.C. §1168). So long as said Section 1168, or any successor or comparable provision affording protection to lessors of railcars from the automatic stay under the United States Bankruptcy Code (then in effect), is in effect, Lessee hereby agrees that it will not, in connection with any bankruptcy proceedings involving Lessee, take a position in any United States Bankruptcy Court that is inconsistent with Lessor's rights under said Section 1168 or said successor or comparable provision.

35. Miscellaneous. Any provision of this Lease which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating or diminishing Lessor's rights under the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, Lessee hereby waives any provision of law which renders any provision of this Lease prohibited or unenforceable in any respect. No term or provision of this Lease may be amended, altered, waived, discharged or terminated orally, but may be amended, altered, waived, discharged or terminated only by an instrument in writing signed by a duly authorized officer of the party against which the enforcement of the amendment, alteration, waiver, discharge or termination is sought. A waiver on any one occasion shall not be construed as a waiver on a future occasion. All of the covenants, conditions and obligations contained in this Lease shall be binding upon and shall inure to the benefit of the respective successors and assigns of Lessor and (subject to the restrictions of Section 14(a) hereof) Lessee. If there is more than one Lessee named herein, the liability of each Lessee shall be joint and several. This Lease, each Lease Supplement each other Principal Document, and each related instrument, document, agreement and certificate, collectively constitute the complete and exclusive statement of the terms of the agreement between Lessor and Lessee with respect to the and the Overall Transaction, and cancel and supersede any and all prior oral or written understandings with respect thereto. This Lease shall in all respects be governed by, and construed in accordance with, the laws of the State of Wisconsin, including all matters of construction, validity and performance.

Lessee's Initials
Northern States Power Company

Approved as to Form

Law Department

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be duly executed by their duly authorized representatives as of the date first written above.

Attest:

BOT Financial Corporation (Lessor)

Mark A. Keenan

Assistant Clerk
(Corporate Seal)

By David A. Mecher Title: Senior Vice President

Attest:

Northern States Power Company (Lessee)

Secretary
(Corporate Seal)

By _____
Title: _____

COUNTERPART NO. 5 OF 5 SERIALY NUMBERED MANUALLY EXECUTED COUNTERPARTS. TO THE EXTENT IF ANY THAT THIS DOCUMENT CONSTITUTES CHATTEL PAPER UNDER THE UNIFORM COMMERCIAL CODE, NO SECURITY INTEREST IN THIS DOCUMENT MAY BE CREATED THROUGH THE TRANSFER AND POSSESSION OF ANY COUNTERPART OTHER THAN COUNTERPART NO. 1.

COMMONWEALTH OF MASSACHUSETTS)
) ss:
COUNTY OF SUFFOLK)

On this 26th day of Feb, 1992, before me personally appeared David A. Mecher, to me personally known, who being by me duly sworn, says that (s)he is the Senior Vice President of BOT Financial Corporation, a Delaware corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(SEAL)

Janis E. Sheppard
Notary Public

My Commission Expires: 5-30-97

STATE OF MINNESOTA)
) ss:
COUNTY OF _____)

On this _____ day of _____, 1992, before me personally appeared _____, to me personally known, who being by me duly sworn, says that (s)he is the _____ of Northern States Power Company, a Minnesota corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(SEAL)

Notary Public

My Commission Expires:

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be duly executed by their duly authorized representatives as of the date first written above.

Attest:

BOT Financial Corporation (Lessor)

Assistant Clerk
(Corporate Seal)

By _____
Title: Senior Vice President

Attest:

Northern States Power Company (Lessee)

Richard H. Herten
~~Secretary~~ Assistant Secretary
(Corporate Seal)

By _____
Title: Executive Vice President Power Supply

COUNTERPART NO. 5 OF 5 SERIALY NUMBERED MANUALLY EXECUTED COUNTERPARTS. TO THE EXTENT IF ANY THAT THIS DOCUMENT CONSTITUTES CHATTEL PAPER UNDER THE UNIFORM COMMERCIAL CODE, NO SECURITY INTEREST IN THIS DOCUMENT MAY BE CREATED THROUGH THE TRANSFER AND POSSESSION OF ANY COUNTERPART OTHER THAN COUNTERPART NO. 1.

COMMONWEALTH OF MASSACHUSETTS)
) ss:
COUNTY OF SUFFOLK)

On this _____ day of _____, 1992, before me personally appeared _____, to me personally known, who being by me duly sworn, says that (s)he is the Senior Vice President of BOT Financial Corporation, a Delaware corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(SEAL)

Notary Public

My Commission Expires:

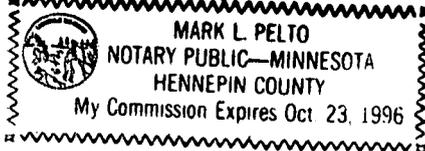
STATE OF MINNESOTA)
) ss:
COUNTY OF HENNEPIN)

On this 27th day of February, 1992, before me personally appeared Craig Blair, to me personally known, who being by me duly sworn, says that (s)he is the Executive Vice President of Northern States Power Company, a Minnesota corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(SEAL)

Mark L. Pelto
Notary Public

My Commission Expires:



Approved as to Form
D L Rice
Law Department

Type of Equipment: Two hundred twenty (220) 4,155 Cubic Foot, 5 Pocket, Aluminum Body-Steel Underframe Mechanized Rapid Discharge II Coal Car, Trinity design number HK-40103, car numbers NSPX 91001-91220

Maximum Acquisition Cost: \$13,000,000

Acquisition Period: From January 15, 1992 to March 31, 1992, both dates inclusive.

Number of Months in Basic Term: 12

Basic Term Commencement Date: April 1, 1992

Basic Rent Percentage*: 0.916609%

Interim Rent Percentage*: 0.030554%

Rental Periods for Basic Term: Each full calendar month.

Rent Payment Dates for Basic Term: The first day of each calendar month during the Basic Term, beginning May 1, 1992. The Basic Rent for the last calendar month of the Basic Term is payable on the first and last day of such month.

Periodicity of Basic Rent Payments During Basic Term: monthly in arrears on each Rent Payment Date.

Renewal Term(s): 7 Renewal Term(s) of 12 months each.

Rental Periods for Renewal Term(s): Each full calendar month.

Rent Payment Dates for Renewal Terms(s): The first day of each calendar month during each Renewal Term, beginning on the first day of the month next following the commencement of such Renewal Term. The Renewal Rent for the last calendar month of a Renewal Term is payable on the first and last day of such month.

Periodicity of Basic Rent Payments During Renewal Term: monthly in arrears on each Rent Payment Date.

Financial Condition Reference Date: September 30, 1991

*as a percentage of Acquisition Cost

EXHIBIT A-1 TO EQUIPMENT LEASING AGREEMENT DATED AS OF JANUARY 15, 1992

(page 2 of 2)

Certain Values:

<u>End of Year*:</u>	<u>Estimated Residual Value** :</u>	<u>Maximum Lessor Risk Amount**:</u>	<u>Maximum Lessee Risk Amount**:</u>
1	98.64	12.84	85.80
2	94.84	12.22	82.62
3	90.74	11.56	79.18
4	86.32	10.86	75.46
5	81.57	10.14	71.43
6	76.45	9.37	67.08
7	70.94	8.57	62.37
8	65.00	7.72	57.28

*Years after Basic Term Commencement Date on April 1, 1992 (determined on anniversary of Basic Term Commencement Date)

**Expressed as a percentage of Acquisition Cost.

Northern States Power Company (Lessee)

BOT Financial Corporation (Lessor)

By: *[Signature]*

Title: Executive Vice President Power Supply

Title: Senior Vice President

Date: _____

Date: _____

Approved as to Form
D.R. Rice

 Law Department

EXHIBIT A-1 TO EQUIPMENT LEASING AGREEMENT DATED AS OF JANUARY 15, 1992

(page 2 of 2)

Certain Values:

<u>End of Year*:</u>	<u>Estimated Residual Value** :</u>	<u>Maximum Lessor Risk Amount**:</u>	<u>Maximum Lessee Risk Amount**:</u>
1	98.64	12.84	85.80
2	94.84	12.22	82.62
3	90.74	11.56	79.18
4	86.32	10.86	75.46
5	81.57	10.14	71.43
6	76.45	9.37	67.08
7	70.94	8.57	62.37
8	65.00	7.72	57.28

*Years after Basic Term Commencement Date on April 1, 1992 (determined on anniversary of Basic Term Commencement Date)

**Expressed as a percentage of Acquisition Cost.

Northern States Power Company (Lessee)

By: _____

Title: _____

Date: _____

BOT Financial Corporation (Lessor)

By: David A. Melhan _____

Title: Senior Vice President _____

Date: _____

EXHIBIT B TO EQUIPMENT LEASING AGREEMENT

LEASE SUPPLEMENT NO. _____

This Lease Supplement is executed pursuant to, and incorporates by reference all of the terms, conditions and provisions of, the Equipment Leasing Agreement dated as of January 15, 1992 between the undersigned Lessor and Lessee (herein, as amended and supplemented from time to time, called the "Lease"). Lessee hereby (a) acknowledges and certifies that (i) each Item of Equipment described below or on any Schedule attached hereto has been selected by, delivered to, and inspected by, Lessee, and is located at the location set forth below, (ii) Lessee has reviewed and approved the purchase order, supply contract or purchase agreement covering each such Item, and (iii) that as between Lessor and Lessee, each such Item is of a size, design, capacity and manufacture acceptable to and suitable for Lessee's purposes, has been installed to Lessee's satisfaction, and is in good working order, repair and condition; and (b) unconditionally and irrevocably accepts each such Item for lease under the Lease on the date hereof. Lessor and Lessee hereby agree that each Item of Equipment described below or on any Schedule attached hereto is hereby leased from Lessor to Lessee under and subject to all of the terms, conditions and provisions of the Lease; that the Term of each such Item commences on the date hereof and that such date is the Acceptance Date thereof; and that the Acquisition Cost, Interim Term, Basic Term Commencement Date, Basic Term, Interim Rent, Basic Rent and Related Exhibit A for all Items of Equipment covered by this Lease Supplement is as set forth below. Lessee hereby agrees to pay the Rent for all Items of Equipment covered by this Lease Supplement in the amounts and at the times specified below, reaffirms its acknowledgments and agreements in Section 8 of the Lease and certifies that its representations and warranties set forth in Section 22 of the Lease and in any related certificate delivered to Lessor are true and correct on the date hereof. All capitalized terms used herein which are not defined herein shall have the meaning given to such terms in the Lease.

1. Description of Item(s) of Equipment (include make, model, serial number and quantity): Two Hundred Twenty (220) 4,155 Cubic Foot, 5 Pocket, Aluminum Body-Steel Underframe Mechanized Rapid Discharge II Coal Car, Trinity design number HK-40103, as more particularly set forth on Schedule A.
2. Location: []
3. Acquisition Cost:
4. Interim Term: commencing on date hereof and ending on March 31, 1992.
5. Basic Term Commencement Date: April 1, 1992
6. Basic Term: 12 months, commencing on Basic Term Commencement Date and ending on March 31, 1993.
7. Interim Rent for Interim Term: \$ _____ (plus applicable sales/use tax) and payable on March 31, 1992.
8. Basic Rent payable during Basic Term: \$ _____ (plus applicable sales/use tax) payable on each Rent Payment Date in arrears during Basic Term, commencing May 1, 1992.
9. Related Exhibit A: Exhibit A-1 to the Lease.

SCHEDULE A TO LEASE SUPPLEMENT

Equipment

<u>Quantity</u>	<u>Manufacturer</u>	<u>Model</u>	<u>Car Number</u>
220	Trinity Industries, Inc.	HK-40103	NSPX 91001-91220

SCHEDULE B TO LEASE SUPPLEMENT

Sales/Use Tax Addendum to
Lease Supplement No. 1
dated _____, 1992

The Lessor and Lessee hereby agree that, for purposes of the calculation of any state and/or local sales and use tax which may be imposed on the leasing of the Equipment identified on this Individual Leasing Record, the portion of the total rentals payable by the Lessee to Lessor for said Equipment representing finance charges is \$_____ plus the amount of Interim Rent, if any, set forth on said Lease Supplement.

Northern States Power Company
(Lessee)

BOT Financial Corporation
(Lessor)

By: _____
(Authorized Signature)

By: _____
(Authorized Signature)

Its: _____
(Title)

Its: Senior Vice President
(Title)

SCHEDULE OF CASUALTY LOSS VALUES

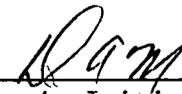
[Attached to and made a part of, and relating to the type of Equipment described on, Exhibit A-1 to Equipment Leasing Agreement]

<u>Rent Payment Date Number</u>	<u>Percentage of Acquisition Cost (after payment of Basic Rent on corresponding Rent Payment Date)</u>	<u>Rent Payment Date Number</u>	<u>Percentage of Acquisition Cost (after payment of Basic Rent on corresponding Rent Payment Date)</u>
1	101.894091	49	85.936874
2	101.607528	50	85.551641
3	101.319192	51	85.164027
4	101.029073	52	84.774015
5	100.737161	53	84.381592
6	100.443444	54	83.986743
7	100.147910	55	83.589452
8	99.850549	56	83.189705
9	99.551349	57	82.787486
10	99.250300	58	82.382779
11	98.947389	59	81.975571
12	98.642604	60	81.565844
13	98.335936	61	81.153584
14	98.027371	62	80.738775
15	97.716898	63	80.321401
16	97.404505	64	79.901446
17	97.090181	65	79.478894
18	96.773913	66	79.053730
19	96.455689	67	78.625936
20	96.135498	68	78.195498
21	95.813327	69	77.762398
22	95.489164	70	77.326620
23	95.162996	71	76.888147
24	94.834812	72	76.446963
25	94.504598	73	76.003051
26	94.172343	74	75.556395
27	93.838033	75	75.106976
28	93.501656	76	74.654779
29	93.163199	77	74.199785
30	92.822649	78	73.741978
31	92.479994	79	73.281341
32	92.135220	80	72.817855
33	91.788314	81	72.351503
34	91.439263	82	71.882267
35	91.088053	83	71.410131
36	90.734672	84	70.935074
37	90.379106	85	70.457081
38	90.021341	86	69.976131
39	89.661364	87	69.492208
40	89.299161	88	69.005293
41	88.934719	89	68.515367
42	88.568023	90	68.022411
43	88.199060	91	67.526407
44	87.827815	92	67.027337
45	87.454275	93	66.525180
46	87.078425	94	66.019919
47	86.700251	95	65.511533
48	86.319739	96	65.000004

and each Rent
Payment Date
thereafter

Prior to Rent Payment Date Number 1, the Casualty Loss Value is 102.178894 % of Acquisition Cost.

Lessee's Initials



Lessor's Initials