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 RECORDATION NO. .... Filed 1425

LEASE JUN 2 1983 - 11 55 AM

INTERSTATE COMMERCE COMMISSION

LEASE OF RAILROAD EQUIPMENT, dated as of May 15, 1983, between CIS RAIL CORPORATION, a California corporation (hereinafter called Lessor), and Missouri-Kansas-Texas Railroad Company, a Delaware corporation (hereinafter called Lessee).

W I T N E S S E T H

WHEREAS, Lessee desires to lease 19 General Motors EMD model GP-40 and 4 General Motors EMD model GP-38 diesel-electric locomotives described on Schedule A-1 through A-23 attached hereto (hereinafter collectively called the Equipment, and individually called Units) from Lessor;

WHEREAS, Lessor desires to lease the Equipment to Lessee;

WHEREAS, the Equipment is currently subject to a lease (the "Mercantile Lease") between Mercantile Trust Company, N.A., as lessor thereunder, and Lessee, as lessee thereunder, and the consummation of this transaction is contingent upon the termination of the Mercantile Lease and the purchase of the Equipment by Lessor;

WHEREAS, the consummation of this lease is further contingent upon the execution of a Conditional Sale Agreement between Mercantile Trust Company, N.A., as vendor, and Lessor hereunder, as vendee, and the assignment of said Conditional Sale Agreement and Lessee's rights to rental payments under this Lease to Chemical Business Credit Corp. ("Assignee") in connection with a non-recourse loan from Assignee to Lessor made in connection with the purchase of the Units by Lessor;

WHEREAS, Lessor desires to finance the cost of the Equipment and Assignee has agreed to such financing pursuant to the terms of a Participation Agreement between Lessor, Lessee and Assignee dated as of the date hereof (hereinafter called the Participation Agreement);

NOW, THEREFORE, it is hereby agreed as follows:

Section 1. Delivery. (1) Lessee is in possession of the Equipment as of the effective date of this Lease. Lessee acknowledges that each Unit is in good order and, without further instrument of lease or transfer, is subject after the lease commencement date to all the terms and conditions of this Lease.

(2) Lessee shall not by virtue of this Lease or the possession or use of the Equipment by Lessee under or pursuant to this Lease or of anything permitted to be done by Lessee hereunder in respect of the Equipment, acquire title to or any equity in the Equipment or any Unit. Any rights of Lessee in respect to the Equipment shall constitute a leasehold interest only.

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INTERSTATE COMMERCE COMMISSION

AGREEMENT AND ASSIGNMENT dated as of May 15, 1983, between MERCANTILE TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association (hereinafter called the Vendor), and CHEMICAL BUSINESS CREDIT CORP, a Delaware corporation (hereinafter called the Assignee).

WHEREAS the Vendor and CIS Rail Corporation (hereinafter called the Vendee) have entered into a conditional sale agreement dated as of the date hereof (hereinafter called the Conditional Sale Agreement) covering the sale by the Vendor and the purchase by the Vendee of the railroad equipment described in Schedule A thereto (hereinafter called the Equipment);

WHEREAS the Conditional Sale Agreement provides that a portion of the purchase price of the Equipment will be paid by the Vendee in instalments, with interest thereon, from time to time; and

WHEREAS the Vendor desires to assign its rights to receive such instalment payments to the Assignee, and the Assignee agrees to purchase the right to receive such instalment payments from the Vendor.

NOW THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto hereby agree as follows:

1. Assignment. The Vendor hereby assigns, transfers, and sets over to the Assignee, its successors and assigns:

(a) all of the interest of the Vendor in each unit of the Equipment, when and as payment is made by the Assignee to the Vendor of the amount required to be paid pursuant to section 4 hereof and payment is made by the Vendee of the amount required to be paid pursuant to clause (a) of the second paragraph of section 2.2 of the Conditional Sale Agreement;

(b) all of the Vendor's right, title, and interest in and to the Conditional Sale Agreement and the payments due and to become due thereunder, and all of the Vendor's rights, privileges, powers, and remedies under the Conditional Sale Agreement, except the right to receive the payments specified in clause (a) of the second paragraph of section 2.2 of the Conditional Sale Agreement.

The foregoing assignment is without any recourse against the Vendor for the failure of the Vendee to make any of the payments provided for in, or otherwise to comply with, the provisions of the Conditional Sale Agreement.

In furtherance of the foregoing assignment, the Vendor hereby authorizes the Assignee, in the Assignee's own name or in the name of and as attorney for the Vendor, to collect and receive all amounts to which the Assignee is or may be entitled under this assignment, and to enforce compliance by the Vendee with the terms and conditions of the Conditional Sale Agreement, but at the expense and liability and for the sole benefit of the Assignee.

2. Representation and Warranties of the Vendor. The Vendor hereby represents and warrants that:

(a) the Conditional Sale Agreement has been duly authorized, executed, and delivered by the Vendor and, assuming due authorization, execution, and delivery by the Vendee, the Conditional Sale Agreement is a legal, valid, and existing agreement binding on the Vendor in accordance with its terms, and the Conditional Sale Agreement is now in force without amendment thereto; and

(b) at the time of execution of the Conditional Sale Agreement the Vendor had legal title to the Equipment and the right to sell the same, and at the time of delivery of each unit of the Equipment under the Conditional Sale Agreement each such unit will be free of all claims, liens, and encumbrances arising from or through the Vendor, except the security interest created by the Conditional Sale Agreement that is assigned to the Assignee hereby.

3. Covenants of the Vendor. The Vendor agrees

(a) to defend the title to the Equipment against claims and demands arising from, through, or under the Vendor originating prior to the assignment of the Vendor's interest in the Equipment hereby; and

(b) to make, execute, and deliver all such further instruments of assignment, transfer, and assurance and do all such further acts and things as may be necessary and appropriate to give effect to the provisions hereof and more fully confirm the rights and interests hereby assigned to the Assignee.

4. Payment; Closing. On each Payment Date fixed as provided in section 2.2 of the Conditional Sale Agreement, the Assignee shall pay to the Vendor in cash an amount equal to the portion of the purchase price of the Equipment being settled for on such date which, under the terms of clause (b) of the second paragraph of the Conditional Sale Agreement, is payable in instalments, provided that there shall have been delivered to the Assignee the

following documents, satisfactory in form and substance to the Assignee, in such number of counterparts as may be reasonably requested by the Assignee:

(a) on or prior to the date the first unit of the Equipment is delivered under the Conditional Sale Agreement:

(i) the opinions and certificates required to be delivered to the Assignee pursuant to section 3.1 of the Participation Agreement dated as of the date hereof (hereinafter called the Participation Agreement) among Missouri-Kansas-Texas Railroad Company, the Vendee, and the Assignee; and

(ii) an opinion of counsel for the Vendor, to the effect that (A) this assignment and the Conditional Sale Agreement have been duly authorized, executed, and delivered by the Vendor, and assuming due authorization, execution, and delivery by the other parties thereto, respectively, each is a legal, valid, and binding obligation of the Vendor, and (B) the instrument mentioned in item (i) of clause (b) of this section 4, when executed and delivered by the Vendor, will be valid and effective to vest in the Assignee the security interest of the Vendor in the Equipment, free of all claims, liens, security interests and other encumbrances arising from, through, or under the Vendor, except the right of the Vendee to take delivery of the Equipment under the Conditional Sale Agreement;

(b) on or prior to the Payment Date:

(i) an instrument from the Vendor to the Assignee transferring to the Assignee the security interest of the Vendor in the Equipment, warranting to the Assignee that, at the time of delivery of the Equipment under the Conditional Sale Agreement, the Vendor had legal title to the Equipment and the right to sell the same, and the Equipment was free of all claims, liens, and encumbrances of any nature arising from or through the Vendor except only the rights of the Vendee under the Conditional Sale Agreement and the rights of the Assignee hereunder;

(ii) an invoice of the Vendor for the Equipment;

(iii) receipt from the Vendor for any payment (other than the payment being made by the Assignee

pursuant to this assignment) required to be made on such Payment Date to the Vendor with respect to the units of Equipment then being settled for, unless such payment is made by the Assignee with funds furnished to it by the Vendee.

The opinion of counsel delivered pursuant to this section may be subject to appropriate qualification as to applicable bankruptcy law and other similar laws affecting creditors' rights. Counsel may rely as to matters relating to the law of jurisdictions other than the United States and the jurisdiction in which such counsel is admitted to practice on the opinions of counsel furnished pursuant to section 3.1 of the Participation Agreement.

5. Failure of Condition. In the event that the Assignee shall not make the payment contemplated hereby, the Assignee shall reassign to the Vendor, without recourse to the Assignee, all right, title, and interest of the Assignee in and to the Equipment.

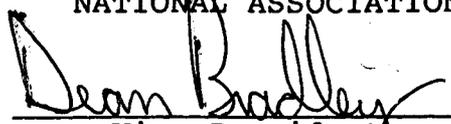
6. Reassignments. The Assignee may assign and reassign any or all of its rights under the Conditional Sale Agreement assigned to it hereby, including the right to receive the payments due or to become due from the Vendee hereunder. In the event of such assignment, the assignee thereof shall enjoy all of the rights and privileges and be subject to the obligations of the assignee hereunder.

7. Counterparts. This assignment may be executed in any number of counterparts and by the different parties hereto on separate counterparts, all of which together shall constitute a single agreement.

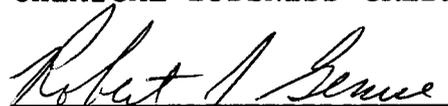
8. Effectiveness. Although this assignment is dated as of the date first above written for convenience, the actual dates of execution hereof by the parties hereto are respectively the dates set forth in the acknowledgments hereto annexed, and this assignment shall be effective on the latest of such dates.

IN WITNESS WHEREOF, the parties hereto have each caused this assignment to be duly executed by their respective officers thereunto duly authorized:

MERCANTILE TRUST COMPANY,  
NATIONAL ASSOCIATION

  
Vice President

CHEMICAL BUSINESS CREDIT CORP.

  
Sr. Vice President

STATE OF MISSOURI )  
 )  
 ) SS.:  
CITY OF ST. LOUIS )

On this 31<sup>st</sup> day of May, 1983, before me personally appeared Dean Bradley, to me personally known, who, by me being duly sworn, says that he is a Vice President of Mercantile Trust Company, National Association, that one of the seals affixed to the foregoing instrument is the corporate seal of said association, and that said instrument was signed and sealed on behalf of said association by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

Eleanor M. Kincaid  
Notary Public  
ELEANOR M. KINCAID

My commission expires SEP 22 1983

STATE OF NEW YORK )  
 )  
 ) SS.:  
COUNTY OF WESTCHESTER )

On this \_\_\_\_\_ day of May, 1983, before me personally appeared \_\_\_\_\_, to me personally known, who, by me being duly sworn, says that he is a Vice President of Chemical Business Credit Corp., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Michael J. Vitolo Sr.  
Notary Public

My commission expires

MICHAEL J. VILOLO  
Notary Public, State of New York  
No. 4686225  
Qualified in Westchester County  
Commission Expires March 30, 1984