19144-D+E

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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

February 13, 1996

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), and the regulations thereunder, are two (2) copies each of the following documents, all dated December 29, 1994: Lease Supplements No. 3 and No. 4, being secondary documents related to the Equipment Lease Agreement previously filed with the Commission under Recordation Number 19144.

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

Lease Supplement No. 3
<u>and Lease Supplement No. 4</u>

Lessor: Norlease, Inc.
50 South LaSalle Street
Chicago, Illinois 60675

Lessee: Union Tank Car Company
111 West Jackson Boulevard
Chicago, Illinois 60604

A description of the railroad equipment covered by the enclosed document is attached as Schedule I to Supplement No. 3 and Supplement No. 4.

Recordation

Also enclosed is a check in the amount of $42.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of each of the enclosed documents to the undersigned.

Very truly yours,

Robert W. Alvord

RWA/bg
Enclosures

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20423-0001

2/13/96

Robert W. Alvord
Alvord And Alvord
918 Sixteenth Street, NW., Ste. 200
Washington, DC., 20006-2973

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 2/13/96 **at** 12:45PM **, and assigned recordation number(s).** 19929, 19930, 11064-I,13239-J, 13240-L. 15208-A, 18643-A,19144-D and E,19321-I.

Sincerely yours,

Vernon A. Williams
Secretary

Enclosure(s)

$ 210.00 **The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.**

Signature

19144-D

LEASE SUPPLEMENT NO. 3

This LEASE SUPPLEMENT No. 3 is dated December 29, 1994 between NORLEASE, INC., a Delaware corporation ("Lessor"), and UNION TANK CAR COMPANY, a Delaware corporation ("Lessee"), and supplements that certain EQUIPMENT LEASE AGREEMENT dated as of December 29, 1994 (the "Lease") between Lessor and Lessee.

Unless the context otherwise requires, all capitalized terms used herein without definition shall have the respective meanings set forth in Appendix A to the Lease for all purposes of this Lease Supplement.

EQUIPMENT
LEASED: 1 used boxcar built in 1975 as more fully described on Schedule 1 attached hereto.

BASIC TERM COMMENCEMENT DATE: December 29, 1994

BASIC TERM EXPIRATION DATE: December 29, 1999

CLOSING DATE: December 29, 1994

OPERATIVE AGREEMENTS: Lease, Bill of Sale, Asset Purchase Agreement, Remarketing Agreement.

SUBLEASE: (A) Memorandum of Equipment Sublease dated as of December 29, 1994, between Union Tank Car Company and WCTU Railway Company and such lease agreements between Union Tank Car Company and WCTU Railway Company as are referred to therein.

(B) Confidential Equipment Agreement dated April 1, 1992, between WCTU Railway Company, as lessor, and Wisconsin Central Ltd.

UNADJUSTED BASIS: $9,810.00

METHOD OF COMPUTATION
OF DEPRECIATION DEDUCTIONS: The Lessor will be entitled to claim for federal and state income tax purposes depreciation deductions with respect to its Unadjusted Basis computed using the 150% declining-balance method over 15 years beginning in the Lessor's taxable year ending December 31, 1994, using a half-year convention and assuming the salvage value is zero.

MARGINAL FEDERAL INCOME TAX RATE: 35%

EFFECTIVE STATE INCOME TAX RATE: 4%

LEASE AMENDMENTS: For purposes of the Equipment leased under this Lease Supplement No. 3, notwithstanding any provisions to the contrary in the Lease, on the date hereof the Lessor and the Lessee have entered into an agreement to lease the Equipment described on Schedule 1 hereto upon the Lessee's delivery to the Lessor of a full warranty bill of sale conveying such Equipment to the Lessor. The Lessee hereby covenants that it will deliver such a full warranty bill of sale to the Lessor no later than December 18, 1995. Upon the delivery to the Lessor of such full warranty bill of sale, all terms of the Lease and this Lease Supplement shall apply, including without limitation the Lessee's further assurances pursuant to Section 21 of the Lease and the conditions to closing contained in Section 25(a) of the Lease. Pending the delivery of such full warranty bill of sale, the Lessor has remitted to the Lessee the Purchase Price (as defined in the Asset Purchase Agreement) in the form of a loan. Monthly payments of principal and interest for such loan are in the amounts set forth on Schedule 2 hereto and are payable in the same manner as rent as set forth herein and in the Lease. If the Lessee does not deliver to the Lessor a full warranty bill of sale to the Equipment leased hereunder on or before December 18, 1995, such loan shall become immediately due and payable in the full amount of the Purchase Price for such Equipment, and the Lessee shall pay to the Lessor an additional pre-payment penalty of five percent (5%) of the Purchase Price.

RENT: The Lessee hereby agrees to pay the Lessor as Basic Rent for each Unit throughout the Basic Term applicable thereto Basic Rent in consecutive monthly installments, in arrears, payable on each Rent Payment Date. Each such monthly payment of Basic Rent shall be in an amount equal to the amount of Basic Rent set forth opposite such Rent Payment Date on Schedule 2 attached hereto.

CASUALTY VALUE: In the event the Casualty Value of an Unit is to be determined as of a date prior to the Basic Term Commencement Date with respect to such Unit (whether because of a Casualty Occurrence as described in Section 14(a) of the Lease, or otherwise), such Casualty Value shall be an amount equal to the sum of (i) the Cost of the Equipment in respect of such item, (ii) plus all Basic Rent

and other Rent thereon due, accrued or owing to the date of payment. In the event the Casualty Value of an Unit is to be determined as of or subsequent to the Basic Term Commencement Date with respect to such Unit, such Casualty Value shall be an amount equal to (i) the amount set forth opposite the Rent Payment Date on which such Casualty Value is payable pursuant to Section 14(b) of the Lease plus (ii) the amount of Basic Rent for such Unit due on such Rent Payment Date. The Casualty Value is payable in addition to Supplemental Rent due or accrued, if any, and other fees which may be due under the Lease to the date such payment is to be made and does not include any amounts for which Lessor may be entitled to indemnification under Section 26 of the Lease. No further Basic Rent shall accrue in respect to such Unit after the date payment of such Casualty Value is due.

ACCEPTANCE: Lessee has inspected and accepted the Equipment, as set forth in Section 2 of the Lease, and acknowledges that Lessor makes no representations or warranties as to the Equipment.

COUNTERPARTS: This Lease Supplement No. 3 may be executed in any number of counterparts, each executed counterpart constituting of an original but all together only one Lease Supplement No. 3.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease Supplement No. 3 to be duly executed and delivered at Chicago, Illinois on the day and year first above written.

LESSOR:

NORLEASE, INC.

By: _____
Name: Eric G. Parker
Title: Vice President

LESSEE:

UNION TANK CAR COMPANY

By: _____
Name:
Title:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this 7th day of February, 1996, before me personally appeared Eric G. Parker, to me personally known, who being by me duly sworn, says that he is the Vice President of NORLEASE, INC., 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.

Linda O'Halloran
Notary Public

[NOTARIAL SEAL]

My commission expires: 8-1-97

OFFICIAL SEAL
LINDA A O'HALLORAN
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 8-1-97

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this _____ day of February, 1996, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of UNION TANK CAR COMPANY, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

_____
Notary Public

[NOTARIAL SEAL]

My commission expires:_____

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease Supplement No. 3 to be duly executed and delivered at Chicago, Illinois on the day and year first above written.

LESSOR:

NORLEASE, INC.

By: _____
Name:
Title:

LESSEE:

UNION TANK CAR COMPANY

By: Mark J. Garrette
Name: Mark J. Garrette
Title: Vice President

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this _____ day of February, 1996, before me personally appeared Eric G. Parker, to me personally known, who being by me duly sworn, says that he is the Vice President of NORLEASE, INC., that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

_____
Notary Public

[NOTARIAL SEAL]

My commission expires:_____

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this 6th day of February, 1996, before me personally appeared Mark J. Garrette, to me personally known, who being by me duly sworn, says that he is the Vice President of UNION TANK CAR COMPANY, 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.

Janis L. Meyer
Notary Public

[NOTARIAL SEAL]

"OFFICIAL SEAL"
JANIS L. MEYER
Notary Public, State of Illinois
My Commission Expires May 1, 1996

My commission expires:

SCHEDULE 1

Description of Unit

The Unit is comprised of one (1) used boxcar, with specifications of 70-tons, Plate B, 16-foot double-sliding doors, 15-inch end-of-car cushion, 50K nailable steel floors, and manufactured in 1975 and bearing car number WCTR 100997.

SCHEDULE 2

BASIC RENT PER UNIT

[Withheld as containing proprietary information]

SCHEDULE 3

Casualty Values

[Withheld as containing proprietary information]