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INTERSTATE COMMERCE COMMISSION

EXECUTION COPY

TRUST INDENTURE AND SECURITY AGREEMENT
(CNW 1994-A)

Dated as of March 1, 1994

between

SHAWMUT BANK CONNECTICUT, NATIONAL ASSOCIATION,
as Owner Trustee,

and

HARRIS TRUST AND SAVINGS BANK,
as Indenture Trustee

Locomotives

Filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on _____, 1994 at _:_ _, Recordation Number ____ and deposited in the Office of the Registrar General of Canada pursuant to Section 90 of the Railway Act of Canada on _____, 1994, at _:_ _.

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TRUST INDENTURE AND SECURITY AGREEMENT
(CNW 1994-A)

This TRUST INDENTURE AND SECURITY AGREEMENT (CNW 1994-A), dated as of March 1, 1994 (this "Indenture"), between SHAWMUT BANK CONNECTICUT, NATIONAL ASSOCIATION, a national association, not in its individual capacity, except as otherwise expressly set forth in Section 6.03 hereof, but solely as trustee under the Trust Agreement referred to below and any successor appointed in accordance with the terms hereof and of the Trust Agreement (herein in such trustee capacity called the "Owner Trustee"), and HARRIS TRUST AND SAVINGS BANK, an Illinois banking corporation, as Indenture Trustee hereunder and any successor appointed in accordance with the terms hereof (herein called the "Indenture Trustee").

W I T N E S S E T H :

WHEREAS, the Owner Participant (such term and all other capitalized terms used herein being defined as hereinafter provided; all other terms used herein that are defined in the Trust Indenture Act, either directly or by reference therein, have the meanings assigned to them therein, except that the "obligor" within the meaning of the Trust Indenture Act shall be the Company for all purposes of this Indenture) and the Owner Trustee, in its individual capacity, have entered into the Trust Agreement whereby, among other things, (i) the Owner Trustee establishes a certain trust for the use and benefit of the Owner Participant, subject, however, to the Indenture Estate created pursuant hereto for the use and benefit of, and with the priority of payment to, the holders of the Equipment Notes and (ii) the Owner Trustee is authorized and directed to execute and deliver this Indenture;

WHEREAS, the Owner Trustee and the Indenture Trustee desire by this Indenture, among other things, (i) to provide for the issuance by the Owner Trustee of the Equipment Notes and (ii) to provide for the assignment, mortgage and pledge by the Owner Trustee to the Indenture Trustee, as part of the Indenture Estate hereunder, among other things, of, and the grant of a security interest in, certain of the Owner Trustee's right, title and interest in and to the Equipment and the Operative Agreements and certain payments and other amounts received hereunder or thereunder, in accordance with the terms hereof, in trust, as security for, among other things, the Owner Trustee's obligations for the equal and ratable benefit of the holders of the Equipment Notes; and

WHEREAS, all things necessary to make this Indenture the legal, valid and binding obligation of the Owner Trustee and the Indenture Trustee, for the uses and purposes herein set forth, in accordance with its terms, have been done and performed and have happened.

GRANTING CLAUSE

NOW, THEREFORE, THIS TRUST INDENTURE AND SECURITY AGREEMENT WITNESSETH, that, to secure the prompt payment of the principal of and interest and premium, if any, on and all other amounts payable from time to time with respect to the Equipment Notes from time to time outstanding hereunder and the performance and observance by the Owner Trustee of all the agreements, covenants and provisions herein and in the Equipment Notes all for the benefit of the Indenture Trustee and the holders of the Equipment Notes, and for the uses and purposes and subject to the terms and provisions hereof, and in consideration of the premises and of the covenants herein contained, and of the acceptance of the Equipment Notes by the Loan Participants, the Owner Trustee does hereby sell, assign, transfer, convey, mortgage, pledge, and confirm unto the Indenture Trustee, its successors and assigns, for the security and benefit of the Indenture Trustee and the holders of the Equipment Notes from time to time, a security interest in and mortgage lien on all right, title and interest of the Owner Trustee in and to the following described property, rights, interests and privileges insofar as it does not constitute Excepted Property (which collectively, including all property hereafter specifically subjected to the lien of this Indenture by any instrument supplemental hereto, but excluding Excepted Property, being herein called the "Indenture Estate") (and subject always to the Owner Trustee's and Owner Participant's rights under Sections 4.04 and 8.05), to wit:

(1) the Lease, including, without limitation, all amounts of Basic Rent, Supplemental Rent, insurance proceeds and other payments of any kind for or with respect to the Equipment, subject to Lessee's rights under the Lease, including, without limitation, Lessee's right of quiet enjoyment;

(2) the Equipment and all replacements of any Units thereof and substitutions therefor in which the Owner Trustee shall from time to time acquire an interest under the Lease, all as more particularly described in the Indenture Supplement and Lease Supplement executed and delivered with respect to the Equipment or any such replacements thereof or substitutions therefor, as provided in this Indenture and the Lease;

(3) all requisition proceeds with respect to the Equipment or any Unit thereof (to the extent of the Owner Trustee's interest therein pursuant to the terms of the Lease);

(4) all monies and securities now or hereafter paid or deposited or required to be paid or deposited with the Indenture Trustee pursuant to any term of this Indenture, the Lease or the Participation Agreement or required to be held by the Indenture Trustee hereunder or thereunder; and

(5) all proceeds of the foregoing.

(Concurrently with the delivery hereof, the Owner Trustee is delivering to the Indenture Trustee executed counterparts of the Trust Agreement and the original executed counterpart of the Lease and Lease Supplement.)

Notwithstanding the foregoing provisions:

(a) the obligations with respect to the Equipment Notes issued on a particular Funding Date are secured only by a security interest in, and an assignment of the Owner Trustee's rights under the Lease with regard to, the Equipment Units purchased on such Funding Date, replacements thereof, substitutions therefor, requisition proceeds with respect thereto, and all monies, securities and other proceeds with respect thereto and are not secured by a security interest in, or an assignment of the Owner Trustee's rights under the Lease with respect to, Equipment purchased on any other Funding Date or any replacements thereof, substitutions therefor, requisition proceeds with respect thereto, or any monies, securities or other proceeds with respect thereto;

(b) there shall be excluded from the foregoing sale, assignment, transfer, conveyance, mortgage, pledge or security interest granted by this Indenture all Excepted Property;

(c) (i) whether or not a Lease Event of Default shall occur and be continuing, the Owner Trustee and the Owner Participant shall at all times retain the right, to the exclusion of the Indenture Trustee (A) to Excepted Property and to commence an action at law to obtain such Excepted Property and (B) to adjust Basic Rent and the percentages relating to Stipulated Loss Value and Termination Value as provided in Section 4.1 of the Lease and Section 2.7 of the Participation Agreement;

(ii) whether or not a Lease Event of Default shall occur and be continuing, the Owner Trustee and the Indenture Trustee shall each retain the right to receive from Lessee all notices, certificates, reports, filings, Opinions of Counsel, copies of all documents and all information which the Lessee is permitted or required to give or furnish to the "Lessor" pursuant to the Lease or to the Owner Trustee pursuant to any other Operative Agreement, to give any notice of default under Section 14 of the Lease and to declare the Lease in default in respect thereof and to retain the right to cause the Lessee to take any action and execute and deliver such documents and assurances as the "Lessor" may from time to time reasonably request pursuant to Section 21 of the Lease;

(iii) so long as no Indenture Event of Default shall have occurred and be continuing (but subject to the provisions of Section 8.05), the Owner Trustee shall retain the right, to the exclusion of the Indenture Trustee, to exercise all rights of the "Lessor" (but not the rights of the "Indenture Trustee") under the Lease (other than the right to receive any funds to be delivered to the "Lessor" under the Lease (except funds which constitute or are delivered with respect to Excepted Property));

(d) the leasehold interest granted to the Lessee under the Lease shall not be subject to the security interest granted by this Indenture, and nothing in this Indenture shall affect the rights of the Lessee under the Lease so long as no Lease Event of Default has occurred and is continuing; and

(e) as between the Owner Trustee and the Indenture Trustee, so long as no Indenture Event of Default shall have occurred and be continuing, nothing contained in this Granting Clause shall prevent the Owner Trustee, as the "Lessor" under the Lease, from seeking specific performance of the covenants of the Lessee under the Lease relating to the protection, insurance, maintenance, possession and use of the Equipment and from maintaining separate insurance with respect to the Equipment to the extent permitted by Section 10 of the Lease.

TO HAVE AND TO HOLD all and singular the aforesaid property unto the Indenture Trustee, its successors and assigns, in trust for the benefit and security of the Indenture Trustee and the holders of the Equipment Notes from time to time, without any priority of any one Equipment Note over any other Equipment Note that is issued on the same Funding Date, and for the uses and purposes, and subject to the terms and provisions, set forth in this Indenture.

It is expressly agreed that anything herein contained to the contrary notwithstanding, the Owner Trustee shall remain liable under each of the Operative Agreements to which it is a party to perform all of the obligations, if any, assumed by it thereunder, all in accordance with and pursuant to the terms and provisions thereof, and the Indenture Trustee and the holders shall have no obligation or liability under any of the Operative Agreements to which the Owner Trustee is a party by reason of or arising out of this assignment, nor shall the Indenture Trustee (except as to the Indenture Trustee, if the Indenture Trustee shall have become the "Lessor" under the Lease) or the holders be required or obligated in any manner to perform or fulfill any obligations of the Owner Trustee under or pursuant to any of the Operative Agreements to which the Owner Trustee is a party or, except as herein expressly provided, to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by it, or present or file any claim, or take any action to collect or enforce the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

The Owner Trustee does hereby constitute the Indenture Trustee the true and lawful attorney of the Owner Trustee, irrevocably, with full power (in the name of the Owner Trustee or otherwise) to ask, require, demand, receive, compound and give acquittance for any and all moneys and claims for moneys due and to become due to the Owner Trustee (other than Excepted Property), under or arising out of the Lease (subject to the provisions of Section 8.05(b)(1)), to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which the Indenture Trustee may deem to be necessary or advisable in the premises. The Owner Trustee has directed the

Lessee to make all payments of Rent (other than Excepted Property) payable to the Owner Trustee by the Lessee and all other amounts which are required to be paid to or deposited with the Owner Trustee pursuant to the Lease directly to the Indenture Trustee at such address as the Indenture Trustee shall specify, for application as provided in this Indenture. The Owner Trustee agrees that promptly on receipt thereof, it will transfer to the Indenture Trustee any and all moneys from time to time received by it constituting part of the Indenture Estate, for distribution by the Indenture Trustee pursuant to this Indenture, except that the Owner Trustee shall accept for distribution pursuant to the Trust Agreement any amounts distributed to it by the Indenture Trustee as expressly provided in this Indenture and any Excepted Property.

The Owner Trustee agrees that at any time and from time to time, upon the written request of the Indenture Trustee, the Owner Trustee will promptly and duly execute and deliver or cause to be executed and delivered any and all such further instruments and documents as the Indenture Trustee may deem desirable in obtaining the full benefits of this assignment and of the rights and powers herein granted.

The Owner Trustee does hereby warrant and represent that it has not assigned or pledged, and hereby covenants that it will not assign or pledge, so long as the assignment hereunder shall remain in effect, any of its right, title or interest hereby assigned, to anyone other than the Indenture Trustee, and that it will not, except as provided in or permitted by this Indenture, accept any payment from the Lessee, enter into an agreement amending or supplementing any of the Operative Agreements, execute any waiver or modification of, or consent under the terms of any of the Operative Agreements, settle or compromise any claim (other than claims in respect of Excepted Property) against the Lessee arising under any of the Operative Agreements, or submit or consent to the submission of any dispute, difference or other matter arising under or in respect of any of the Operative Agreements, to arbitration thereunder.

IT IS HEREBY COVENANTED AND AGREED by and between the parties hereto as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Certain Definitions. Unless the context otherwise requires, all capitalized terms used herein and not otherwise defined shall have the meanings set forth in Appendix A hereto for all purposes of this Indenture. All references to articles, sections, clauses, schedules, exhibits and appendices in this Indenture are to articles, sections, clauses, schedules, exhibits and appendices in and to this Indenture unless otherwise indicated. All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles as in effect on the date hereof.

ARTICLE II

THE EQUIPMENT NOTES

Section 2.01. Terms of Equipment Notes; Execution and Delivery. (a) There shall be issued and delivered on the Funding Date with respect to the Units acquired on that Funding Date to each of the Loan Participants an Equipment Note in the maturity and principal amount, and bearing the interest rate, set forth in Schedule 7 to the Participation Agreement, which shall evidence the loan made by the Loan Participants in connection with the purchase of the Equipment by the Owner Trustee from the Seller, each such Equipment Note to be substantially in the form set forth in Exhibit A, with deletions and insertions as appropriate, duly authenticated by the Indenture Trustee and dated the Funding Date for such Equipment, and designated Series A Equipment Notes and as having been issued in connection with such Equipment. Each Loan Participant shall be entitled to receive a single Equipment Note of the appropriate maturity and bearing the appropriate interest rate in a principal amount equal to the purchase price paid therefor by such Loan Participant pursuant to Section 2 of the Participation Agreement.

The principal amount of and interest on each Equipment Note issued pursuant to the provisions of this Indenture shall be payable as set forth in the form thereof contained in Exhibit A and Annex A. Interest accrued on the Equipment Notes shall be computed on the basis of a 360-day year of twelve 30-day months on the principal amount thereof remaining unpaid from time to time from and including the date thereof to but excluding the date of payment. The Owner Trustee shall furnish to the Indenture Trustee a copy of each Equipment Note issued pursuant to the provisions of this Indenture.

The Equipment Notes issuable hereunder may be issued in not more than one series. The Equipment Notes shall be designated Series A Equipment Notes. Each Equipment Note outstanding hereunder shall be identical in respect of payment dates. All Equipment Notes of the same Series shall be identical (including in respect of amortization schedules) except in respect of principal amount thereof. The aggregate principal amount of the Equipment Notes which may be outstanding at any one time shall be limited to the aggregate amount set forth in Exhibit C hereto.

(b) Equipment Notes shall be executed on behalf of the Owner Trustee by the manual or facsimile signature of its President, a senior vice president, a vice president, an assistant vice president, its treasurer, its secretary, an assistant secretary or an assistant treasurer.

(c) If any officer of the Owner Trustee executing the Equipment Notes no longer holds that office at the time an Equipment Note is executed on behalf of the Owner Trustee, the Equipment Note shall be valid nevertheless.

(d) At any time and from time to time after the execution of the Equipment Notes, the Owner Trustee may deliver such Equipment Notes to the Indenture Trustee for authentication and, subject to the provisions of clause (e) below, the Indenture Trustee shall authenticate such Equipment Notes by manual signature upon receipt by it of written orders of the Owner Trustee. Equipment Notes shall be authenticated on behalf of the Indenture Trustee by any authorized officer or signatory of the Indenture Trustee.

(e) No Equipment Note shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose, unless it shall have been executed on behalf of the Owner Trustee as provided in clause (b) above and authenticated by or on behalf of the Indenture Trustee as provided in clause (d) above. Such signatures shall be conclusive evidence that such Equipment Note has been duly executed under this Indenture.

(f) The Owner Trustee shall issue and execute, and the Indenture Trustee shall authenticate and deliver, the Equipment Notes for original issuance upon payment to the Indenture Trustee of an amount equal to the aggregate original principal amount of the Equipment Notes to be issued at such time. Each Equipment Note shall be dated the date of its issuance.

Section 2.02. Payment from Indenture Estate Only. All payments to be made under the Equipment Notes and this Indenture shall be made only from the income and the proceeds from the Indenture Estate and only to the extent that the Indenture Trustee shall have received sufficient income or proceeds from the Indenture Estate to make such payments in accordance with the terms of Article III hereof. Each holder of an Equipment Note, by its acceptance of such Equipment Note, agrees that it will look solely to the income and proceeds from the Indenture Estate to the extent available for distribution to such holder as herein provided and that none of the Owner Trustee, the Owner Participant, the Indenture Trustee or their permitted successors and assigns is or shall be personally liable to the holder of any Equipment Note for any amount payable under such Equipment Note or the Indenture or, except as expressly provided in the Participation Agreement or the Indenture, for any liability under the Participation Agreement or (in the case of the Owner Trustee or the Indenture Trustee) the Indenture.

Section 2.03. Method of Payment. (a) The principal of and premium, if any, and interest on each Equipment Note will be payable in U.S. dollars in immediately available funds at the principal corporate trust administration office of the Indenture Trustee or as otherwise directed in the manner provided herein. Notwithstanding the foregoing or any provision in any Equipment Note to the contrary, the Indenture Trustee will pay, or cause to be paid, if so requested by any holder of an Equipment Note by written notice to the Owner Trustee and the Indenture Trustee, all amounts payable by the Owner Trustee hereunder to such holder or a nominee therefor either (i) by transferring by wire in immediately available funds to an account maintained by such holder with a bank in the United States the amount to be distributed to such holder or (ii) by mailing a check denominated in U.S. dollars to such holder at such address as

such holder shall have specified in such notice, in any case without any presentment or surrender of any Equipment Note, except that the holder of an Equipment Note shall surrender such Equipment Note to the Indenture Trustee upon payment in full of the principal amount of and interest on such Equipment Note and such other sums payable to such holder hereunder or under the Equipment Note.

(b) Whenever the date scheduled for any payment to be made hereunder (including, without limitation, any payment made under Section 4.04) or under any Equipment Note shall not be a Business Day, then such payment need not be made on such scheduled date but may be made on the next succeeding Business Day with the same force and effect as if made on such scheduled date and (provided such payment is made on such next succeeding Business Day) no interest shall accrue on the amount of such payment from and after such scheduled date to the time of such payment on such next succeeding Business Day.

Section 2.04. Application of Payments to Principal Amount and Interest. In the case of each Equipment Note, each payment of principal thereof and premium, if any, and interest thereon shall be applied,

(A) first, to the payment of accrued but unpaid interest on such Equipment Note then due thereunder,

(B) second, to the payment of the unpaid principal amount of such Equipment Note then due thereunder, and

(C) third, to the payment of any premium then due thereon.

Section 2.05. Termination of Interest in Indenture Estate. A holder shall have no further interest in, or other right with respect to, the Indenture Estate when and if the principal amount of and interest on all Equipment Notes held by such holder and all other sums payable to such holder hereunder and under such Equipment Notes and under the Participation Agreement shall have been paid in full.

Section 2.06. Transfer of Equipment Notes. The Indenture Trustee shall maintain at its corporate trust administration office in Chicago, Illinois, or in the city in which the corporate trust office of a successor Indenture Trustee is located, a register for the purpose of registering transfers and exchanges of Equipment Notes. A holder of an Equipment Note intending to transfer such Equipment Note to a new payee, or to exchange any Equipment Note or Equipment Notes held by it for an Equipment Note or Equipment Notes of a different denomination or denominations, may surrender such Equipment Note or Equipment Notes to the Indenture Trustee at such principal corporate trust administration office of the Indenture Trustee, together with a written request from such holder for the issuance of a new Equipment Note or Equipment Notes, specifying the denomination or denominations (each of which shall be not less than $1,000,000 or such smaller denomination as may be necessary due to the original issuance

of Equipment Notes of the applicable maturity in an aggregate principal amount not evenly divisible by $1,000,000) of the same, and, in the case of a surrender for registration of transfer, the name and address of the transferee or transferees. Promptly upon receipt of such documents, the Owner Trustee will issue, and the Indenture Trustee will authenticate, a new Equipment Note or Equipment Notes in the same aggregate principal amount and dated the same date or dates and of the same Series as, with the same payment schedule, in the form set forth in Exhibit A, in the same maturity and bearing the same interest rate as the Equipment Note or Equipment Notes surrendered, in such denomination or denominations and payable to such payee or payees as shall be specified in the written request from such holder. All Equipment Notes issued upon any registration of transfer or exchange of Equipment Notes shall be the valid obligations of the Owner Trustee evidencing the same respective obligations, and entitled to the same security and benefits under this Indenture, as the Equipment Notes surrendered upon such registration of transfer or exchange. The Indenture Trustee shall make a notation on each new Equipment Note or Equipment Notes of the amount of all payments or prepayments of principal and interest previously made on the old Equipment Note or Equipment Notes with respect to which such new Equipment Note or Equipment Notes is or are issued. From time to time, the Indenture Trustee will provide the Owner Trustee and the Lessee with such information as it may request as to the registered holders of Equipment Notes. The Owner Trustee shall not be required to exchange any surrendered Equipment Notes as above provided during the ten-day period preceding the due date of any payment on such Equipment Notes.

Prior to the due presentment for registration of transfer of an Equipment Note, the Owner Trustee and the Indenture Trustee may deem and treat the registered holder of such Equipment Note as the absolute owner and holder of such Equipment Note for the purpose of receiving payment of all amounts payable with respect to such Equipment Note and for all other purposes and shall not be affected by any notice to the contrary.

The Indenture Trustee will promptly notify the Owner Trustee and the Lessee of each request for a registration of transfer of an Equipment Note. The Indenture Trustee will promptly cancel and destroy all Equipment Notes surrendered for transfer pursuant to this Section.

Section 2.07. Mutilated, Destroyed, Lost or Stolen Equipment Notes. If any Equipment Note shall become mutilated, destroyed, lost or stolen, the Owner Trustee shall, upon the written request of the holder of such Equipment Note, issue, and the Indenture Trustee shall authenticate and deliver in replacement thereof, a new Equipment Note in the form set forth in Exhibit A, payable to the same holder in the same principal amount, of the same Series, of the same maturity, with the same payment schedule, bearing the same interest rate and dated the same date as the Equipment Note so mutilated, destroyed, lost or stolen. If the Equipment Note being replaced has become mutilated, such Equipment Note shall be surrendered to the Indenture Trustee and forwarded to the Owner Trustee by the Indenture Trustee. If the Equipment Note being replaced has been destroyed, lost or stolen, the holder of such Equipment Note shall furnish to the Owner Trustee and the Indenture Trustee such security or indemnity as may be

required by them to save the Owner Trustee and the Indenture Trustee harmless and evidence satisfactory to the Owner Trustee and the Indenture Trustee of the destruction, loss or theft of such Equipment Note and of the ownership thereof.

Section 2.08. Payment of Transfer Taxes. Upon the transfer of any Equipment Note or Equipment Notes pursuant to Section 2.06, the Owner Trustee or the Indenture Trustee may require from the party requesting such new Equipment Note or Equipment Notes payment of a sum to reimburse the Owner Trustee or the Indenture Trustee for, or to provide funds for the payment of, any tax or other governmental charge in connection therewith.

Section 2.09. Prepayments. (a) In the event that an Event of Loss occurs with respect to any Unit or Units, the Equipment Notes shall be prepaid in whole or in part by the Owner Trustee, without the payment of any premium, at a price equal to the sum of (1) as to principal thereof, an amount equal to the product obtained by multiplying (x) the aggregate unpaid principal amount of such Equipment Notes as at such prepayment date (after deducting therefrom the principal installment, if any, due on the prepayment date) by (y) a fraction, the numerator of which shall be the Equipment Cost of such Unit or Units and the denominator of which shall be the aggregate Equipment Cost of all Units included in the Indenture Estate immediately prior to the date of such prepayment and (2) as to interest, the aggregate amount of interest accrued and unpaid in respect of the principal amount to be prepaid pursuant to clause (1) above to but not including the date of such prepayment (after giving effect to the application of any Basic Rent paid on or prior to the date of such prepayment).

(b) In the event that the Lease as applicable to any Unit or Units is terminated by the Company at its option pursuant to Section 11 thereof, the Equipment Notes shall be prepaid in whole or in part by the Owner Trustee at a price equal to the sum of (1) as to principal thereof, an amount equal to the product obtained by multiplying (x) the aggregate unpaid principal amount of such Equipment Notes as at the date of such prepayment (after deducting therefrom the principal installment, if any, due on or prior to the date of such prepayment) by (y) a fraction, the numerator of which shall be the Equipment Cost of such Unit or Units and the denominator of which shall be the aggregate Equipment Cost of all Units included in the Indenture Estate immediately prior to the date of such prepayment, (2) as to interest, the aggregate amount of interest accrued and unpaid in respect of the principal amount to be prepaid pursuant to clause (1) above to but not including the date of such prepayment (after giving effect to the application of any Basic Rent paid on or prior to the date of such prepayment) and (3) if such prepayment is made prior to the Premium Termination Date, a premium in an amount equal to the Make-Whole Premium, if any, applicable in respect of the principal amount to be prepaid pursuant to clause (1) above on the date of such prepayment. Any such prepayment pursuant to this Section 2.09(b) shall be made on the Termination Date. If the Units in respect of which the Lease is terminated pursuant to Section 11 thereof are sold pursuant to such Section 11, concurrently with the delivery of the notice of prepayment to the Indenture Trustee, the Owner Trustee shall deposit with the Indenture Trustee sufficient funds (with respect to the Make-Whole Premium, if any, as estimated in good faith by the Lessee) to

prepay the Equipment Notes as provided in this Section 2.09(b). When the amount of the Make-Whole Premium, if any, is determined, the Lessee shall pay the deficiency of the estimate and the Indenture Trustee shall pay any excess, including investment earnings, to the Lessee.

(c) In the event of a refinancing as contemplated by Section 10.2 of the Participation Agreement, the Equipment Notes shall be prepaid in whole by the Owner Trustee at a price equal to the sum of (1) as to the principal thereof, 100% of the aggregate unpaid principal amount of such Equipment Notes (after deducting therefrom the principal installment, if any, due on the prepayment date), (2) the aggregate accrued and unpaid interest thereon to the prepayment date and (3) if such prepayment is made prior to the Premium Termination Date, a premium in an amount equal to the Make-Whole Premium, if any, applicable in respect of the principal amount to be prepaid pursuant to clause (1) above on the date of such prepayment.

(d) In the event that the Lessee exercises its option to purchase any Unit of Equipment prior to the expiration of the Lease Term pursuant to Section 19 of the Lease, the Equipment Notes shall be prepaid in whole or in part by the Owner Trustee at a price equal to the product obtained by multiplying (x) the aggregate unpaid principal amount of such Equipment Notes as at such prepayment date (after deducting therefrom the principal installment, if any, due on the prepayment date) by (y) a fraction, the numerator of which shall be the Equipment Cost of such Unit or Units and the denominator of which shall be the aggregate Equipment Cost of all Units included in the Indenture Estate immediately prior to the date of such prepayment and (2) as to interest, the aggregate amount of interest accrued and unpaid in respect of the principal amount to be prepaid pursuant to clause (1) above to but not including the date of such prepayment (after giving effect to the application of any Basic Rent paid on or prior to the date of such prepayment).

(e) The Indenture Trustee shall give prompt written notice of any prepayment of any of the Equipment Notes to all holders of the Equipment Notes to be prepaid pursuant to this Section 2.09 as soon as the Indenture Trustee shall have knowledge that such prepayment is to occur, which notice shall specify the principal amount of the Equipment Notes to be prepaid, the estimated amount of premium, if any, to be paid thereon and the date of prepayment, which date shall be not less than 25 days after the date of such notice.

Section 2.10. Deposit of Prepayment Amount. On or before any prepayment date, the Owner Trustee shall, to the extent an amount equal to the applicable amount to be prepaid shall not then be held in the Indenture Estate, deposit or cause to be deposited with the Indenture Trustee in immediately available funds an amount equal to such amount to be prepaid.

Section 2.11. Equipment Notes Payable on Prepayment Date. Notice of prepayment having been given as aforesaid, the principal amount of Equipment Notes to be prepaid in whole or in part on such prepayment date shall become due and payable at the principal corporate trust office of the Indenture Trustee, and from and after such prepayment date (unless there shall be a default in the payment of the applicable amount to be prepaid) such

principal amount shall cease to bear interest. Upon surrender of any such Equipment Note for prepayment in whole or in part in accordance with said notice, the unpaid principal amount of such Equipment Note, together with interest accrued thereon and Make-Whole Premium, if any, shall be paid as provided for in this Article II.

If any Equipment Note to be prepaid shall not be so paid upon surrender thereof for prepayment, the principal shall, until paid, continue to bear interest from the prepayment date at the interest rate applicable to such Equipment Note.

Section 2.12. Equipment Notes to be Prepaid Ratably. In the case of any prepayment of less than all of the Equipment Notes, such prepayment shall be made ratably, based on the respective unpaid principal amounts thereof, among all Equipment Notes issued hereunder on the Funding Date on which the Unit of Equipment, with respect to which such prepayment was made, was purchased. For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the prepayment of Equipment Notes shall relate, in the case of any Equipment Note prepaid or to be prepaid only in part, to the portion of the principal of such Equipment Note which has been or is to be prepaid.

Section 2.13. Allocation of Prepayment. Upon receipt by the Indenture Trustee of any prepayment under Section 2.09(a), 2.09(b) or 2.09(d), in the case of a prepayment of less than all of the Equipment Notes outstanding, the portion so received which is applied to principal pursuant to Article III shall be allocated to the Funding Date on which the Unit of Equipment, with respect to which such prepayment was made, was purchased.

Upon partial prepayment of any Equipment Note, the principal amount of each outstanding Equipment Note shall be adjusted to take account of any such partial prepayment.

Section 2.14. Equally and Ratably Secured. Each Equipment Note issued on a specific Funding Date in respect of Equipment purchased by the Owner Trustee on such Funding Date at any time outstanding under this Indenture shall be equally and ratably secured hereby with each other Equipment Note, if any, issued on the same Funding Date without preference, priority or distinction on account of the maturity of such Equipment Notes issued on the same Funding Date or otherwise so that all such Equipment Notes at any time issued and outstanding hereunder shall have the same rights, Liens and preferences under and by virtue of this Indenture.

ARTICLE III

RECEIPT, DISTRIBUTION AND APPLICATION OF INCOME FROM THE INDENTURE ESTATE

Section 3.01. Basic Rent Distribution. Except as otherwise provided in Section 3.03, each installment of Interim Interest and Basic Rent paid with respect to Equipment purchased on a specific Funding Date as well as any installment of interest on overdue installments of Basic Rent paid with respect to such Equipment, and any other moneys paid over by the Lessee or the Owner Trustee to the Indenture Trustee for such purpose, shall be distributed by the Indenture Trustee as promptly as possible (it being understood that any payments of Interim Interest and Basic Rent received by the Indenture Trustee on a timely basis and in accordance with the provisions of Section 4 of the Lease shall be distributed on the date received in the funds so received) in the following order of priority:

(A) first, so much of such installment as shall be required for the purpose shall be distributed and paid to the holders of the Equipment Notes issued on such Funding Date to pay in full the aggregate amount of the payment or payments of principal, premium, if any, and interest (as well as any interest on overdue principal) then due, such distribution to be made ratably, without priority of one Equipment Note issued on such Funding Date over the other, in the proportion that the amount of such payment or payments then due or so scheduled with respect to each such Equipment Note issued on such Funding Date bears to the aggregate amount of payments then due under all such Equipment Notes issued on such Funding Date; and

(B) second, the balance, if any, of such installment remaining thereafter shall be distributed to the Owner Trustee for distribution in accordance with the terms of the Trust Agreement and the Lease. The portion of each such installment distributed to a holder of an Equipment Note shall be applied by such holder in payment of such Equipment Note in accordance with the terms of Section 2.04.

Section 3.02. Payments in the Event of Prepayment or Purchase. (a) Except as otherwise provided in Section 3.03 or 3.05, in the event of any prepayment or purchase of the Equipment Notes, in whole or in part, in accordance with the provisions of Section 2.09 or 4.04, as the case may be, any amount received shall in each case be distributed and paid in the following order of priority:

(A) first, so much of such amount as shall be required for the purpose of prepayment or purchase shall be distributed and paid to the holders of such Equipment Notes to pay the aggregate amount of the payment of principal, premium, if any, and interest to be prepaid on the Equipment Notes pursuant to Section 2.09 or to be paid on the Purchase Date pursuant to Section 4.04, such prepayment or payment to be made ratably, without priority of one over any other, in the proportion that the amount to be

prepaid or paid on each such Equipment Note bears to the aggregate amount to be prepaid or paid on all such Equipment Notes;

(B) second, so much of such amount as shall be required to reimburse the Owner Trustee and the Indenture Trustee for any expenses not reimbursed by the Lessee in connection with the collection or distribution of such amount and for any unpaid fees for the Indenture Trustee's services under this Indenture and any tax, expense (including reasonable attorneys' fees) or other loss incurred by it (to the extent incurred in connection with its duties as Indenture Trustee and to the extent reimbursable and not previously reimbursed) shall be applied in reimbursement of such amounts;

(C) third, in the manner provided in clause (B) of Section 3.03(a) hereof; and

(D) fourth, in the manner provided in clause (D) of Section 3.03(a) hereof.

(b) Except as otherwise provided in Section 3.03 or 3.05 hereof, any amounts received by the Indenture Trustee directly or through the Lessee from any governmental authority or other party pursuant to Section 9 of the Lease with respect to any Unit as the result of an Event of Loss, to the extent that such amounts are not at the time required to be paid to the Lessee pursuant to said Section 9, and any amounts of insurance proceeds for damage to the Indenture Estate received by the Indenture Trustee directly or through the Lessee from any insurer pursuant to Section 10 of the Lease with respect thereto as the result of an Event of Loss, to the extent such amounts are not at the time required to be paid to the Lessee pursuant to said Section 9, shall be applied in reduction of the Lessee's obligation to pay Stipulated Loss Value and Termination Value as provided in the Lease.

Section 3.03. Payments After Indenture Event of Default. (a) Except as provided in Section 3.05 and subject to paragraph (a) of the "notwithstanding" provision contained in the Granting Clause, all payments received and amounts realized by the Indenture Trustee as part of the Indenture Estate after an Indenture Event of Default shall have occurred and be continuing and after the Indenture Trustee has declared (as assignee from the Owner Trustee of the Lease) the Lease to be in default pursuant to Section 15 thereof or has declared the Equipment Notes to be accelerated pursuant to Section 4.02, as the case may be, or has elected to foreclose or otherwise enforce its rights under this Indenture (including any amounts realized by the Indenture Trustee from the exercise of any remedies pursuant to Section 15 of the Lease, or Article IV), as well as all payments or amounts then held or thereafter received by the Indenture Trustee as part of the Indenture Estate while such Indenture Event of Default shall be continuing, shall be distributed forthwith by the Indenture Trustee in the following order of priority:

(A) first, so much of such payments or amounts as shall be required to reimburse the Indenture Trustee for any unpaid fees for its services under this Indenture and any tax, expense (including reasonable attorney's fees) or other loss incurred by the Indenture Trustee (to the extent reimbursable and not previously reimbursed and to the

extent incurred in connection with its duties as Indenture Trustee) shall be distributed to the Indenture Trustee;

(B) second, so much of such payments or amounts as shall be required to reimburse the holders of the Equipment Notes for payments made by them to the Indenture Trustee pursuant to Section 5.03 (to the extent not previously reimbursed), and to pay such holders of the Equipment Notes the amounts payable to them pursuant to the provisions of the Participation Agreement, shall be distributed to such holders of the Equipment Notes, without priority of one over the other, in accordance with the amount of the payment or payments made by, or payable to, each such holder;

(C) third, so much of such payments or amounts as shall be required to pay in full the aggregate unpaid principal amount of all Equipment Notes, plus the accrued but unpaid interest thereon to the date of distribution, shall be distributed to the holders of the Equipment Notes, and in case the aggregate amount so to be distributed shall be insufficient to pay in full the aforesaid amounts, then, ratably, without priority of one over the other, in the proportion that the aggregate unpaid principal amount of all Equipment Notes held by each such holder, plus the accrued but unpaid interest thereon to the date of distribution, bears to the aggregate unpaid principal amount of all Equipment Notes, plus the accrued but unpaid interest thereon to the date of distribution; and

(D) fourth, the balance, if any, of such payments or amounts remaining thereafter shall be distributed to, or as directed by, the Owner Trustee to be held or distributed in accordance with the terms of the Trust Agreement and the Lease;

(b) Except as provided in Section 3.05, if an Indenture Event of Default shall have occurred and be continuing, the Indenture Trustee shall not make any distribution to the Owner Trustee but shall hold amounts otherwise distributable to the Owner Trustee as collateral security for the obligations secured hereby until such time as no Indenture Event of Default shall be continuing hereunder or such amounts are applied pursuant to Section 3.03(a); provided that following an Indenture Event of Default and the lapse of a period of 180 days, during which time the Equipment Notes shall not have been accelerated, any amounts held pursuant to this Section 3.03(b) shall be distributed to, or as directed by, the Owner Trustee to be held or distributed in accordance with the terms of the Trust Agreement and the Lease, and such Indenture Event of Default shall not thereafter be the basis of a retention of any amounts distributed to the Owner Trustee hereunder.

Section 3.04. Other Payments. Except as otherwise provided in Section 3.03 or 3.05,

(a) any payments received by the Indenture Trustee for which no provision as to the application thereof is made in the Lease or the Participation Agreement or elsewhere in this Article III, and

(b) all payments received and amounts realized by the Indenture Trustee under the Lease or otherwise with respect to the Equipment to the extent received or realized at any time after payment in full of the principal of and interest and premium, if any, on all Equipment Notes, as well as any other amounts remaining as part of the Indenture Estate after payment in full of the principal of and interest and premium, if any, on all Equipment Notes issued hereunder, shall be distributed forthwith by the Indenture Trustee in the order of priority set forth in Section 3.03, except that in the case of any payment described in clause (b) above, such payment shall be distributed omitting clause (C) of such Section 3.03(a).

Any payments received by the Indenture Trustee for which provision as to the application thereof is made in the Lease or the Participation Agreement but not elsewhere in this Indenture shall be applied to the purposes for which such payments were made in accordance with the provisions of the Lease or the Participation Agreement.

Section 3.05. Distribution of Excepted Property. All amounts constituting Excepted Property received by the Indenture Trustee shall be paid by the Indenture Trustee to the Person or Persons entitled thereto.

Section 3.06. Statements to Holders. (a) On each Interest Payment Date, prepayment date or Purchase Date, the Indenture Trustee will include with each distribution to Holders a statement, giving effect to such distribution to be made on such date, setting forth the following information (per a $1,000 face amount Equipment Note as to (i) and (ii) below):

(i) the amount of such distribution allocable to principal and the amount allocable to Make-Whole Premium, if any; and

(ii) the amount of such distribution allocable to interest.

(b) Within a reasonable period of time after the end of each calendar year but not later than the latest date permitted by law, the Indenture Trustee shall furnish to each Person who at any time during such calendar year was a Holder of record a statement containing the sum of the amounts determined pursuant to clauses (a)(i) and (a)(ii) above with respect to the Indenture Estate for such calendar year or, in the event such Person was a Holder of record during a portion of such calendar year, for the applicable portion of such year, and such other items as are readily available to the Indenture Trustee and which a Holder shall reasonably

request as necessary for the purpose of such Holder's preparation of its Federal income tax returns.

Section 3.07. Subrogation. To the extent that any payments received or amounts realized are applied under this Article III to pay the Indenture Trustee any amounts then due it pursuant to Section 2.7, 7.1, or 7.2 of the Participation Agreement, the Owner Trustee shall be subrogated to the extent of such payment to the rights and remedies of the Indenture Trustee in respect thereof.

ARTICLE IV

REMEDIES OF THE INDENTURE TRUSTEE UPON AN INDENTURE EVENT OF DEFAULT

Section 4.01. Indenture Events of Default. The following events shall constitute "Indenture Events of Default" and each such Indenture Event of Default shall be deemed to exist and continue so long as, but only so long as, it shall not have been remedied:

(a) subject to Section 4.04(a), a Lease Event of Default (other than a Lease Event of Default by reason of a default by the Lessee to pay any amounts which are part of the Excepted Property); or

(b) default by the Owner Trustee in making any payment when due of principal of or premium, if any, or interest on, any Equipment Note or Equipment Notes, and the continuance of such default unremedied for 10 Business Days after the same shall have become due and payable; or

(c) any failure by the Owner Trustee, in its individual capacity or as trustee, or the Owner Participant to observe or perform any material covenant or obligation of them or any of them, in this Indenture or the Equipment Notes or in the Participation Agreement (including, but not limited to any obligation to make any payment and the obligations under Sections 6.1, 6.2, 6.3, 6.5 (other than clause (i) of the first sentence thereof) and 6.10 of the Participation Agreement, covenant contained in the granting clauses and Section 4.03(c), 4.08 and 5.04 of the Indenture), if, but only if, such failure is not remedied within a period of 30 days after there has been given to the Owner Trustee, the Owner Participant and the Lessee by the Indenture Trustee a written notice specifying such failure and requiring it to be remedied; provided that, if such failure is capable of being remedied, no such failure shall constitute an Indenture Event of Default hereunder for a period of 180 days after such notice so long as the Owner Trustee and the Owner Participant are diligently proceeding to remedy such failure; or

(d) any representation or warranty made by the Owner Trustee, in its individual capacity or as trustee, or the Owner Participant under the Participation Agreement, or by the Owner Trustee, in its individual capacity or as trustee, hereunder, or by any representative of the Owner Trustee or the Owner Participant in any document or certificate furnished to the Indenture Trustee or any Loan Participant in connection with or pursuant to the transactions contemplated by the Operative Documents, shall prove at any time to have been incorrect in any material respect as of the date made and such incorrectness shall remain material and continue unremedied for a period of 30 days after there has been given to the Owner Trustee and the Owner Participant a written notice specifying such incorrectness, stating that such incorrectness is a default hereunder and requiring it to be remedied by the Indenture Trustee or by any holder of an Equipment Note; provided that, if such incorrectness is capable of being remedied, no such incorrectness shall constitute an Indenture Event of Default hereunder for a period of 180 days after such notice so long as the Owner Trustee and the Owner Participant are diligently proceeding to remedy such incorrectness; or

(e) the Owner Trustee or the Owner Participant shall consent to the appointment of a custodian, receiver, trustee or liquidator of itself or of a substantial part of its property or shall make a general assignment for the benefit of creditors; or

(f) the Owner Trustee or the Owner Participant shall file, or consent by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy, for liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction; or

(g) a court or governmental authority of competent jurisdiction shall enter an order appointing, without consent by the Indenture Estate or the Owner Trustee with respect thereto (and not in its individual capacity) or the Owner Participant, as the case may be, a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, or constituting an order for relief or approving a petition for relief or reorganization or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding-up or liquidation of the Indenture Estate or the Owner Trustee with respect thereto (and not in its individual capacity) or the Owner Participant, as the case may be, and any such order or petition is not dismissed or stayed within 90 days after the earlier of the entering of any such order or the approval of any such petition.

Section 4.02. Acceleration; Rescission and Annulment. If an Indenture Event of Default occurs and is continuing, the Indenture Trustee may, and upon the direction of a Majority in Interest shall, subject to Section 4.04, declare the unpaid principal amount of all Equipment Notes then outstanding and accrued interest thereon to be due and payable. At any time after the Indenture Trustee has declared the unpaid principal amount of all Equipment Notes

then outstanding to be due and payable and prior to the sale of any of the Indenture Estate pursuant to this Article IV, a Majority in Interest, by written notice to the Owner Trustee, the Lessee and the Indenture Trustee, may rescind and annul such declaration and thereby annul its consequences if: (1) there has been paid to or deposited with the Indenture Trustee an amount sufficient to pay all overdue installments of interest on the Equipment Notes, and the principal of and premium, if any, on any Equipment Notes that have become due otherwise than by such declaration of acceleration, (2) the rescission would not conflict with any judgment or decree, and (3) all other Indenture Defaults and Indenture Events of Default, other than nonpayment of principal or interest on the Equipment Notes that have become due solely because of such acceleration, have been cured or waived.

Section 4.03. Remedies with Respect to Indenture Estate. (a) After an Indenture Event of Default shall have occurred and so long as such Indenture Event of Default shall be continuing, then and in every such case the Indenture Trustee, as assignee hereunder of the Lease or as mortgagee hereunder of the Equipment or otherwise, may, and when required pursuant to the provisions of Article V hereof shall, subject to Sections 4.04 and 4.05, exercise any or all of the rights and powers and pursue any and all of the remedies pursuant to Section 15 of the Lease and this Article IV and may recover judgment in its own name as Indenture Trustee against the Indenture Estate and may take possession of all or part or any part of the Indenture Estate, and may exclude the Owner Trustee and the Owner Participant and all persons claiming under any of them wholly or partly therefrom; provided, however, that nothing in this Indenture shall permit or require the Indenture Trustee to take any action contrary to, or to disturb, the Lessee's rights under the Lease, except in accordance with the provisions of the Lease.

(b) Subject to Section 4.04 and Section 4.05, the Indenture Trustee may, if at the time such action may be lawful and always subject to compliance with any mandatory legal requirements, either with or without taking possession, and either before or after taking possession, and without instituting any legal proceedings whatsoever, and having first given notice of such sale by registered mail to the Owner Trustee, the Owner Participant and the Lessee once at least 30 days prior to the date of such sale or the date on which the Indenture Trustee enters into a binding contract for a private sale, and any other notice which may be required by law, sell and dispose of the Indenture Estate, or any part thereof, or interest therein, at public auction to the highest bidder or at private sale in one lot as an entirety or in separate lots, and either for cash or on credit and on such terms as the Indenture Trustee may determine, and at any place (whether or not it be the location of the Indenture Estate or any part thereof) and time designated in the notice above referred to; provided, however, that, notwithstanding any provision herein to the contrary, the Indenture Trustee shall not take possession of all or any part of the Indenture Estate or sell any of the Indenture Estate unless a declaration of acceleration has been made pursuant to Section 4.02. Any such public sale or sales may be adjourned from time to time by announcement at the time and place appointed for such sale or sales, or for any such adjourned sale or sales, without further notice, and the Indenture Trustee or the holder or holders of any Equipment Notes, or any interest therein, may bid and become the purchaser at any such public sale. The Indenture Trustee may exercise such right without

possession or production of the Equipment Notes or proof of ownership thereof, and as representative of the holders may exercise such right without including the holders as parties to any suit or proceeding relating to foreclosure of any property in the Indenture Estate. The Owner Trustee hereby irrevocably constitutes the Indenture Trustee the true and lawful attorney-in-fact of the Owner Trustee (in the name of the Owner Trustee or otherwise) for the purpose of effectuating any sale, assignment, transfer or delivery for enforcement of the Lien of this Indenture, whether pursuant to foreclosure or power of sale or otherwise, to execute and deliver all such bills of sale, assignments and other instruments as the Indenture Trustee may consider necessary or appropriate, with full power of substitution, the Owner Trustee hereby ratifying and confirming all that such attorney or any substitute shall lawfully do by virtue hereof. Nevertheless, if so requested by the Indenture Trustee or any purchaser, the Owner Trustee shall ratify and confirm any such sale, assignment, transfer or delivery, by executing and delivering to the Indenture Trustee or such purchaser all bills of sale, assignments, releases and other proper instruments to effect such ratification and confirmation as may be designated in any such request.

(c) Subject to Section 4.04 and Section 4.05, the Owner Trustee agrees, to the fullest extent that it lawfully may, that, in case one or more of the Indenture Events of Default shall have occurred and be continuing, then, in every such case, the Indenture Trustee may take possession of all or any part of the Indenture Estate and may exclude the Owner Trustee and the Owner Participant and all persons claiming under any of them wholly or partly therefrom. At the request of the Indenture Trustee, the Owner Trustee shall promptly execute and deliver to the Indenture Trustee such instruments of title and other documents as the Indenture Trustee may deem necessary or advisable to enable the Indenture Trustee or an agent or representative designated by the Indenture Trustee, at such time or times and place or places as the Indenture Trustee may specify, to obtain possession of all or any part of the Indenture Estate. If the Owner Trustee shall fail for any reason to execute and deliver such instruments and documents to the Indenture Trustee, the Indenture Trustee may pursue all or part of the Indenture Estate wherever it may be found and may enter any of the premises of the Lessee wherever the Indenture Estate may be or be supposed to be and search for the Indenture Estate and, subject to Section 4.05, take possession of and remove the Indenture Estate. Upon every such taking of possession, the Indenture Trustee may, from time to time, at the expense of the Indenture Estate, make all such expenditures for maintenance, insurance, repairs, replacements, alterations, additions and improvements to any of the Indenture Estate, as it may deem proper, and is entitled, at the expense of the Indenture Estate, to payment for all fees and expenses incurred by the Indenture Trustee, its agents and counsel in connection with such action. In each such case, the Indenture Trustee shall have the right to use, operate, store, control or manage the Indenture Estate, and to carry on the business and to exercise all rights and powers of the Owner Trustee relating to the Indenture Estate, as the Indenture Trustee shall deem best, including the right to enter into any and all such agreements with respect to the maintenance, operation, leasing or storage of the Indenture Estate or any part thereof as the Indenture Trustee may determine; and the Indenture Trustee shall be entitled to collect and receive all tolls, rents, revenues, issues, income, products and profits of the Indenture Estate and every part thereof,

without prejudice, however, to the right of the Indenture Trustee under any provision of this Indenture to collect and receive all cash held by, or required to be deposited with, the Indenture Trustee hereunder. Such tolls, rents, revenues, issues, income, products and profits shall be applied to pay the expenses of holding and operating the Indenture Estate and of conducting the business thereof, and of all maintenance, repairs, replacements, alterations, additions and improvements, and to make all payments which the Indenture Trustee may be required or may elect to make, if any, for taxes, assessments, insurance or other proper charges upon the Indenture Estate or any part thereof (including the employment of engineers and accountants to examine, inspect and make reports upon the properties and books and records of the Owner Trustee) and all other payments which the Indenture Trustee may be required or authorized to make under any provision of this Indenture, as well as just and reasonable compensation for the services of the Indenture Trustee, and of all persons properly engaged and employed by the Indenture Trustee, including the reasonable expenses of the Indenture Trustee, its agents and counsel.

If an Indenture Event of Default occurs and is continuing and the Indenture Trustee shall have obtained possession of a Unit, the Indenture Trustee shall not be obligated to use or operate such Unit or cause such Unit to be used or operated directly or indirectly by itself or through agents or other representatives or to lease, license or otherwise permit or provide for the use or operation of such Unit or Equipment by any other Person unless (i) the Indenture Trustee shall have been able to obtain insurance in kinds, at rates and in amounts satisfactory to it in its discretion to protect the Indenture Estate and the Indenture Trustee, as trustee and individually, against any and all liability for loss or damage to such Unit and for public liability and property damage resulting from use or operation of such Unit and (ii) funds are available in the Indenture Estate to pay for all such insurance or, in lieu of such insurance, the Indenture Trustee is furnished with indemnification from the holders of the Equipment Notes or any other Person upon terms and in amounts satisfactory to the Indenture Trustee in its discretion to protect the Indenture Estate and the Indenture Trustee, as trustee and individually, against any and all such liabilities.

(d) Notwithstanding anything contained herein, so long as the Pass Through Trustee under any Pass Through Trust Agreement is the registered holder of any Equipment Note issued hereunder, the Indenture Trustee is not authorized or empowered to acquire title to any Indenture Estate or take any action with respect to any Indenture Estate so acquired by it if such acquisition or action would cause any Trust to fail to qualify as a "grantor trust" for federal income tax purposes.

Section 4.04. Right to Cure; Option to Purchase; Etc. (a) Right to Cure. If the Lessee shall fail to make any payment of Basic Rent within 5 Business Days (the "Grace Period") after the same shall become due, and if such failure of the Lessee to make such payment of Basic Rent shall not constitute the fourth consecutive or the seventh or subsequent cumulative such failure, then as long as no other Indenture Event of Default (other than a Lease Event of Default) shall have occurred and be continuing the Owner Participant or the Owner

Trustee may (but need not) pay to the Indenture Trustee, at any time prior to the expiration of a period of 10 Business Days (a "10-Day Period") after the expiration of such Grace Period (prior to the expiration of which 10-Day Period the Indenture Trustee shall not declare the Lease in default based on such failure to pay Basic Rent pursuant to Section 15 thereof or exercise any of the rights, powers or remedies pursuant to such Section 15 or this Article IV), an amount equal to the full amount of such payment of Basic Rent, together with any interest due thereon on account of the delayed payment thereof, and such payment by the Owner Participant or the Owner Trustee shall be deemed to cure any Indenture Event of Default which arose from such failure of the Lessee (but such cure shall not relieve the Lessee of any of its obligations). If the Lessee shall fail to perform or observe any other covenant, condition or agreement to be performed or observed by it under the Lease and if (but only if) the performance or observance thereof can be effected by the payment of money alone, then as long as no other Indenture Event of Default shall have occurred and be continuing, the Owner Participant or the Owner Trustee may (but need not) pay to the Indenture Trustee (or to such other person as may be entitled to receive the same), at any time prior to the expiration of a 10-Day Period after the expiration of the grace period, if any, provided with respect to such failure on the part of the Lessee in Section 14 of the Lease (prior to the expiration of which 10-Day Period the Indenture Trustee shall not declare the Lease in default pursuant to Section 15 thereof or exercise any of the rights, powers or remedies pursuant to such Section 15 or this Article IV), all sums necessary to effect the performance or observance of such covenant, condition or agreement, together with any interest due thereon on account of the delayed payment thereof, and such payment by the Owner Participant or the Owner Trustee shall be deemed to cure any Indenture Event of Default which arose from such failure of the Lessee (but such cure shall not relieve the Lessee of any of its obligations). Upon any payment of Basic Rent by the Owner Participant or the Owner Trustee in accordance with the first sentence of this Section 4.04(a), or upon any payment of any other sums by the Owner Participant or the Owner Trustee in accordance with the second sentence of this Section 4.04(a), the Owner Participant or the Owner Trustee shall, to the extent of their respective payments, be subrogated, in the case of any such payment in accordance with such first sentence, to the rights of the Indenture Trustee, as assignee hereunder of the Owner Trustee, or, in the case of any such payment in accordance with such second sentence, to the rights of the Indenture Trustee or such other person, as the case may be, which actually received such payment, to receive such payment of Basic Rent or such other payment, as the case may be (and any interest due thereon on account of the delayed payment thereof), and shall be entitled to receive such payment upon its receipt by the Indenture Trustee or such other person as aforesaid (but in each case only if all amounts of principal and interest at the time due and payable on the Equipment Notes shall have been paid in full); provided that neither the Owner Participant nor the Owner Trustee shall attempt to recover any such amount paid by it on behalf of the Lessee pursuant to this Section 4.04(a) except by demanding of the Lessee payment of such amount or by commencing an action against the Lessee to require the payment of such amount.

(b) Option to Purchase Equipment Notes. In the event that (1) at any time one or more Lease Events of Default shall have occurred and (i) the Equipment Notes shall have

been accelerated pursuant to Section 4.02, or (ii) the Indenture Trustee shall have commenced the exercise of any remedy in respect of the Equipment pursuant to Section 15 of the Lease, or (2) at any time one or more Lease Events of Default shall have occurred and any such Lease Event of Default shall have continued for a period of 180 days or more during which time the Equipment Notes could, but shall not, have been accelerated pursuant to Section 4.02, then and in such case, upon 30 days' notice from the Owner Trustee to the Indenture Trustee designating a date of purchase which shall be the 30th day of any calendar month (the "Purchase Date"), each holder of an Equipment Note agrees that it will, upon and subject to receipt by the Indenture Trustee from the Owner Trustee or its nominee of an amount equal to the aggregate unpaid principal amount of all Equipment Notes, together with accrued and unpaid interest thereon to the Purchase Date, plus all other sums then due and payable to such holder of an Equipment Note hereunder, plus, in the event that (and only in such event) the Purchase Date for Equipment Notes purchased pursuant to clause (2) above occurs prior to the earlier of (x) the date which is the first anniversary of the occurrence of the Lease Event of Default or (y) the Premium Termination Date, a premium in an amount equal to the Make-Whole Premium, if any, applicable in respect of the principal amount to be purchased on such Purchase Date, forthwith sell, assign, transfer and convey to the Owner Trustee or its nominee, and the giving of such notice and the deposit with the Indenture Trustee on behalf of the holders of the Equipment Notes of all amounts required to be paid to the holders of the Equipment Notes pursuant to this Section 4.04(b) including interest accrued and unpaid to and any premium payable on the Purchase Date shall be deemed to, assign, transfer, and convey to the Owner Trustee or its nominee at the time of such deposit, all of the right, title and interest of such holder in and to the Equipment Notes then held by such holder, and the Owner Trustee or its nominee shall assume all of such holder's obligations under the Participation Agreement accruing after the Purchase Date, provided that the Owner Trustee or its nominee on the date of such purchase shall purchase all of the Equipment Notes then outstanding hereunder. If the Owner Trustee or its nominee on or before the Purchase Date so requests, such holder of the Equipment Notes will comply with all the provisions of Section 2.06 to enable new Equipment Notes to be issued to the Owner Trustee or its nominee in such denominations as the Owner Trustee shall request. All charges and expenses required pursuant to Section 2.08 in connection with the issuance of any such new Equipment Notes shall be borne by the Owner Trustee.

(c) Exercise of Remedies Under Lease. The Indenture Trustee shall not be entitled to exercise any remedy hereunder as a result of an Indenture Event of Default that constitutes or occurs solely by virtue of one or more Lease Events of Default unless the Indenture Trustee as security assignee of the Owner Trustee shall have exercised or concurrently be exercising one or more substantial remedies provided for in Section 15 of the Lease with respect to the Equipment, provided that the requirement to exercise such remedies under the Lease shall not apply in circumstances where the Indenture Trustee is, and has been for a continuous period in excess of 60 days (or the end of any extension period referred to in clause (i)(2) of the following parenthetical), involuntarily stayed or prohibited by applicable law or court order (other than by reason of (i)(l) the Lessee's agreement with the approval of the relevant court to perform the Lease in accordance with Section 1168(a) of the Bankruptcy Code

or (2) an extension with the consent of the Indenture Trustee, but without the consent of the Owner Trustee, of the 60-day period specified therein pursuant to Section 1168(b) of the Bankruptcy Code or (ii) the Lessee's assumption with the approval of the relevant court of the Lease pursuant to Section 365 of the Bankruptcy Code or (iii) the Indenture Trustee's own failure to give any requisite notice to any Person) from exercising such remedies under the Lease, it being understood that references in this sentence to particular sections of the Bankruptcy Code as in effect on the date hereof shall include any substantially similar successor provisions. As used in this Section 4.04(c), the term "substantial remedies" means any remedy which the Lessor is permitted to exercise under paragraph (b), (c), (d), (e) or (f) of Section 15.1 of the Lease or any other comparable remedy which the Lessor is permitted to exercise under the Lease, provided that any such remedy is exercised with respect to all of the Equipment subject to the Lease at the time of such exercise.

Section 4.05. Rights of Lessee. Notwithstanding the provisions of this Indenture, including, without limitation, Section 4.03, so long as no Lease Event of Default shall have occurred and be continuing, neither the Indenture Trustee nor the Owner Trustee shall take any action contrary to, or disturb, the Lessee's rights under the Lease, except in accordance with the provisions of the Lease, including, without limitation, (i) the right to receive all monies due and payable to it in accordance with the provisions of the Lease and (ii) the Lessee's rights to possession and use of, and of quiet enjoyment of, the Equipment.

Section 4.06. Waiver of Existing Defaults. A Majority in Interest by notice to the Indenture Trustee on behalf of all holders of the Equipment Notes may waive any past default hereunder and its consequences, except a default: (i) in the payment of the principal of, premium, if any, or interest on any Equipment Note, or (ii) in respect of a covenant or provision hereof which under Article IX hereof cannot be modified or amended without the consent of the holder of each Equipment Note affected. Upon any such waiver, such default shall cease to exist, and any Indenture Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 4.07. Remedies Cumulative. Each and every right, power and remedy herein given to the Indenture Trustee specifically or otherwise in this Agreement shall be cumulative and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy whether specifically herein given or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by the Indenture Trustee, and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy. No delay or omission by the Indenture Trustee in the exercise of any right, remedy or power or in the pursuance of any remedy shall impair any such right, power or remedy or be construed to be a waiver of any default on the part of the Owner Trustee or Lessee or to be an acquiescence therein.

Section 4.08. Waiver of Owner Trustee. To the extent now or at any time hereafter enforceable under applicable law, the Owner Trustee covenants that it will not at any time insist upon or plead, or in any manner whatsoever claim or take any benefit or advantage of or from any law now or hereafter in force providing for the valuation or appraisement of the Indenture Estate or any part thereof, prior to any sale or sales thereof to be made pursuant to any provision herein contained, or prior to any applicable decree, judgment or order of any court of competent jurisdiction; nor, after such sale or sales, claim or exercise any right under any statute now or hereafter made or enacted by any state or otherwise to redeem the property so sold or any part thereof, and hereby expressly waives for itself and on behalf of each and every Person, except decree or judgment creditors of the Owner Trustee acquiring any interest in or title to the Indenture Estate or any part thereof subsequent to the date of this Agreement, all benefit and advantage of any such law or laws, and covenants that it will not invoke or use any such law or laws, but will suffer and permit the execution of every such power as though no such law or laws had been made or enacted. Nothing in this Section 4.08 shall be deemed to be a waiver by the Owner Trustee of its rights under Section 4.04.

The Indenture Trustee may maintain such a pleading, or, in any manner whatsoever, claim or take any benefit or advantage of or from any law now or hereafter in force even if it does not possess any of the Equipment Notes or does not produce any of them in the proceeding. A delay or omission by the Indenture Trustee or any Holder in exercising any right or remedy accruing upon an Indenture Event of Default under this Agreement shall not impair the right or remedy or constitute a waiver of or acquiescence in such Indenture Event of Default.

Section 4.09. Control by Majority. (a) A Majority in Interest may direct the time, method and place of conducting any proceeding for any remedy available to the Indenture Trustee or exercising any trust or power conferred on it by this Agreement. However, the Indenture Trustee may refuse to follow any direction that conflicts with law or this Agreement, that is unduly prejudicial to the rights of the Holders so affected, or that may subject the Indenture Trustee to personal liability.

(b) The Owner Trustee may pursuant to the direction and instruction of the Owner Participant by delivery of written notice to the Indenture Trustee set a record date to determine the Holders entitled to give any consent, request, demand, authorization, direction, notice, waiver or other act. Such record date shall be the record date specified in such Officers' Certificate which shall be a date not more than 30 days prior to the first solicitation of Holders in connection therewith. If such a record date is fixed, such consent, request, demand, authorization, direction, notice, waiver or other act may be given before or after such record date, but only the Holders of record at the close of business on such record date shall be deemed to be Holders for the purposes of determining whether Holders holding the requisite proportion of certificates have authorized or agreed or consented to such consent, request, demand, authorization, direction, notice, waiver or other act, and for that purpose the Equipment Notes outstanding shall be computed as of such record date; provided that no such consent, request, demand, authorization, direction, notice, waiver or other act by the Holders on such record date

shall be deemed effective unless it shall become effective pursuant to the provisions of this Agreement not later than one year after the record date.

Section 4.10. Limitation on Suits by Holders of Equipment Notes. A holder of an Equipment Note may pursue a remedy under this Agreement or thereunder only if:

(1) such holder gives to the Indenture Trustee written notice of a continuing Indenture Event of Default under this Agreement;

(2) the holders of at least 25% in aggregate principal amount of the Equipment Notes outstanding make a written request to the Indenture Trustee to pursue the remedy;

(3) such holder or holders offer to the Indenture Trustee indemnity satisfactory to the Indenture Trustee against any loss, liability or expense to be, or which may be, incurred by the Indenture Trustee in pursuing the remedy;

(4) the Indenture Trustee does not comply with the request within 60 days after receipt of the request and the offer of indemnity; and

(5) during such 60-day period a Majority in Interest does not give the Indenture Trustee a direction inconsistent with the request.

A holder of an Equipment Note may not use this Agreement to prejudice the rights of another holder thereof or to obtain a preference or priority over another holder.

Section 4.11. Rights of Holders of Equipment Notes to Receive Payment. Notwithstanding any other provision of this Agreement the right of any holder of an Equipment Note to receive payment of principal of, premium, if any, and interest on such Equipment Note on or after the respective due dates expressed in such Equipment Note, or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such holder.

Section 4.12. Indenture Trustee May File Proofs of Claim. The Indenture Trustee may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Indenture Trustee and of the holder of any Equipment Notes allowed in any judicial proceedings relating to any obligor on the Equipment Notes, its creditors, or its property.

Section 4.13. Undertaking for Costs. All parties to this Agreement agree, and each holder of an Equipment Note by its acceptance thereof shall be deemed to have agreed, that in any suit for the enforcement of any right or remedy under this Agreement or in any suit against the Indenture Trustee for any action taken or omitted by it as Indenture Trustee, a court in its discretion may require the filing by any party litigant in such suit of an undertaking to pay

the costs of such suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section does not apply to a suit instituted by the Indenture Trustee, a suit instituted by a holder of an Equipment Note for the enforcement of the payment of principal of or Make-Whole Premium, if any, or interest on such Equipment Note, on or after the respective due dates expressed in such Equipment Note, or a suit by a holder or holders of more than 10% in aggregate principal amount of Equipment Notes.

ARTICLE V

DUTIES OF THE INDENTURE TRUSTEE

Section 5.01. Action upon Indenture Event of Default. If any payments of Interim Interest or Basic Rent or payments of the principal or interest or premium, if any, on the Equipment Notes due and payable on any Rent Payment Date shall not have been paid in full on such Rent Payment Date, the Indenture Trustee shall give telephonic notice within one Business Day (followed by prompt written notice) to the Owner Trustee and the Lessee specifying the amount and nature of such deficiency in payment. In the event the Indenture Trustee shall have "actual knowledge" of an Indenture Event of Default or an Indenture Default, the Indenture Trustee shall give prompt notice of such Indenture Event of Default or such event or condition to the Lessee, the Owner Trustee, the Owner Participant and each Loan Participant by telegram, telex, or telephone (to be promptly confirmed in writing). In the event the Owner Trustee shall have "actual knowledge" of an Indenture Event of Default or an Indenture Default, the Owner Trustee shall give notice of such Indenture Event of Default or Indenture Default in the same manner to the Lessee, the Indenture Trustee, the Owner Participant and each Loan Participant. Subject to the terms of Section 5.03, the Indenture Trustee shall take such action, or refrain from taking such action, with respect to such Indenture Event of Default as the Indenture Trustee shall be instructed in writing by a Majority in Interest. If the Indenture Trustee shall not have received instructions as above provided within 20 days after the mailing of notice of such Indenture Event of Default or such Indenture Default to the Loan Participants by the Indenture Trustee, the Indenture Trustee may, but shall not be obligated to, take such action, or refrain from taking such action, with respect to such Indenture Event of Default or Indenture Default as it shall determine to be advisable in the best interests of the Loan Participants. Any provision of this Section 5.01 to the contrary notwithstanding, the Indenture Trustee shall not declare the Lease to be in default solely in respect of (i) the Lessee's failure to make any payment of Basic Rent within 5 Business Days after the same shall have become due, unless the 10-Day Period within which, pursuant to Section 4.04(a), the Owner Participant or the Owner Trustee are entitled to cure such failure shall have expired, or (ii) the Lessee's failure to perform or observe any of the covenants, conditions and agreements referred to in the second sentence of Section 4.04(a) within the grace period referred to in that sentence, unless the 10-day Period within which, pursuant to Section 4.04(a), the Owner Participant or the Owner

Trustee is entitled to cure such failure shall have expired. For all purposes of this Indenture, in the absence of "actual knowledge", neither the Owner Trustee nor the Indenture Trustee shall be deemed to have knowledge of an Indenture Event of Default (except, in the case of the Indenture Trustee, the failure of the Lessee to pay any installment of Basic Rent that is required to be paid directly to the Indenture Trustee within the 5 Business Days after the same shall become due or the failure of the Lessee to maintain insurance as required under Section 10 of the Lease if the Indenture Trustee shall receive notice thereof from an insurer or insurance broker) unless notified in writing by the Lessee, the Owner Trustee, one or more Loan Participants or the Owner Participant; and "actual knowledge" (as used in the foregoing clause) of the Owner Trustee or the Indenture Trustee shall mean actual knowledge of an officer in the Corporate Trust Administration of the Owner Trustee or the Indenture Trust Division of the Indenture Trustee, as the case may be, without any duty to make any investigation with regard thereto.

Section 5.02. Action upon Instructions. Subject to the terms of Sections 5.01 and 5.03, upon the written instructions at any time and from time to time of a Majority in Interest, the Indenture Trustee shall take such of the following actions as may be specified in such instructions (subject to the rights of the other parties thereto, except to the extent assigned hereunder): (i) subject to and solely to the extent permitted by the terms hereof and of the Lease, give such notice, direction or consent, or exercise such right, remedy or power hereunder or under the Lease or in respect of any part or all of the Indenture Estate or take such other action as shall be specified in such instructions; and (ii) after an Indenture Event of Default shall have occurred and so long as such Indenture Event of Default shall be continuing, approve as satisfactory to it all matters required by the terms of the Lease to be satisfactory to the Owner Trustee, it being understood that without the written instructions of a Majority in Interest the Indenture Trustee shall not take any action described in clauses (i) and (ii) above.

Upon (i) the expiration or earlier termination of the Lease Term with respect to any Unit under the Lease and after payment in full of the principal of and interest and premium, if any, on all Equipment Notes issued in respect of such Unit, or (ii) the refinancing of the Equipment Notes pursuant to Section 10.2 of the Participation Agreement, or (iii) so long as no Indenture Event of Default shall have occurred and be continuing, the purchase of Equipment Notes by the Owner Trustee on behalf of the Owner Participant pursuant to Section 4.04(b), the Indenture Trustee shall in each case, upon the written request of the Owner Trustee and receipt by the Indenture Trustee of funds necessary to prepay the Equipment Notes required in connection with such termination or refinancing or to consummate such purchase, execute and deliver to, or as directed in writing by, the Owner Trustee an appropriate instrument (in due form for recording) furnished by the Owner Trustee or the Lessee releasing such property from the lien of this Indenture.

Section 5.03. Indemnification. (a) The Indenture Trustee shall not be required to take any action or refrain from taking any action under Section 5.01 (other than the first two sentences thereof) or 5.02 or Article IV if it shall have reasonable grounds for believing that

repayment of such funds or adequate indemnification against such risk is not reasonably assured to it. The Indenture Trustee shall not be required to take any action under Section 5.01 or 5.02 or Article IV, nor shall any other provision of this Indenture be deemed to impose a duty on the Indenture Trustee to take any action, if the Indenture Trustee shall have been advised in writing by independent counsel that such action is contrary to the terms hereof or of the Lease or the Participation Agreement, or is otherwise contrary to law.

(b) Each Loan Participant may, but shall not be required to, participate in any indemnification of the Indenture Trustee given pursuant to paragraph (a) of this Section 5.03. Each Loan Participant so participating shall be entitled to reimbursement for such participation in accordance with Article III.

Section 5.04. No Duties Except as Specified in Indenture or Instructions. The Indenture Trustee shall not have any duty or obligation to manage, control, use, sell, dispose of or otherwise deal with the Equipment or any other part of the Indenture Estate, or to otherwise take or refrain from taking any action under, or in connection with, this Indenture, the Lease, or the Participation Agreement, except as expressly provided by the terms of this Indenture or as expressly provided in written instructions received pursuant to the terms of Section 5.01 or 5.02; and no implied duties or obligations shall be read into this Indenture against the Indenture Trustee. Each of the Owner Trustee and the Indenture Trustee nevertheless agrees that it will, at its own cost and expense, promptly take such action as may be necessary duly to discharge any liens or encumbrances on any part of the Indenture Estate, or on any properties of the Owner Trustee assigned, pledged or mortgaged as part of the Indenture Estate, which result from claims against it in its individual capacity not related to the ownership of the Equipment (in the case of the Owner Trustee), administration of the Indenture Estate (in the case of the Indenture Trustee) or any other transaction under this Indenture or the Trust Agreement or any document included in the Indenture Estate.

Section 5.05. No Action Except Under Lease, Indenture or Instructions. The Indenture Trustee agrees that it will not manage, control, use, sell, dispose of or otherwise deal with the Equipment or other property constituting part of the Indenture Estate except (i) as required by the terms of the Lease and the Participation Agreement, (ii) in accordance with the powers granted to, or the authority conferred upon, the Indenture Trustee pursuant to this Indenture, or (iii) in accordance with the express terms hereof or with written instructions pursuant to Section 5.01 or 5.02.

Section 5.06. Withholding Taxes. The Indenture Trustee, as agent for the Owner Trustee, shall exclude and withhold from each payment of principal, premium, if any, and interest and other amounts due hereunder or under the Equipment Notes any and all withholding taxes applicable thereto as required by law. The Indenture Trustee agrees to act as such withholding agent and, in connection therewith, whenever any present or future taxes or similar charges are required to be withheld with respect to any amounts payable in respect of the Equipment Notes, to withhold such amounts and timely pay the same to the appropriate authority

in the name of and on behalf of the holders of the Equipment Notes, that it will file any necessary withholding tax returns or statements when due, and that, as promptly as possible after the payment thereof, it will deliver to each holder of an Equipment Note appropriate documentation showing the payment thereof, together with such additional documentary evidence as such holders may reasonably request from time to time.

Section 5.07. Lessee's Right of Quiet Enjoyment. Notwithstanding any of the provisions of this Indenture to the contrary, so long as Lessee is in compliance with its obligations under the Lease (including applicable grace periods) and no Event of Default has occurred and is continuing unremedied, the Indenture Trustee will comply with Section 17.4 of the Lease to the same extent as if it were the Lessor under the Lease. Each holder of an Equipment Note, by its acceptance thereof, consents in all respects to the terms of the Lease and agrees to the provisions of this Section 5.07.

ARTICLE VI

THE OWNER TRUSTEE AND THE INDENTURE TRUSTEE

Section 6.01. Acceptance of Trusts and Duties. The Indenture Trustee accepts the trusts hereby created and applicable to it and agrees to perform the same but only upon the terms of this Indenture and agrees to receive and disburse all moneys received by it constituting part of the Indenture Estate in accordance with the terms hereof. The Indenture Trustee shall not be answerable or accountable under any circumstances, except for its own wilful misconduct or gross negligence or breach of any of its representations or warranties set forth herein or in the Participation Agreement, or the performance of its obligations under the last sentence of Section 5.04; and the Owner Trustee shall not be liable for any action or inaction of the Indenture Trustee and the Indenture Trustee shall not be liable for any action or inaction of the Owner Trustee. The Owner Trustee shall not be deemed a trustee for, or agent of, the holders of the Equipment Notes for any purpose.

Section 6.02. Absence of Duties. Except in accordance with written instructions or requests furnished pursuant to Section 5.01 or Section 5.02 and except as provided in, and without limiting the generality of, Section 5.04, the Indenture Trustee shall have no duty to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Lessee, including (i) to see to any registration of the Equipment or any recording or filing of the Lease, or of this Indenture or any other document, or to see to the maintenance of any such registration, recording or filing, (ii) to see to any insurance on the Equipment or to effect or maintain any such insurance, whether or not the Lessee shall be in default with respect thereto, (iii) to confirm, verify or inquire into the failure to receive any financial statements of the Lessee or (iv) to inspect the Equipment at any time or ascertain or inquire as to the performance or observance of any of the Lessee's covenants under the Lease with respect to the Equipment. Notwithstanding the foregoing, the Indenture Trustee will

furnish to any Loan Participant, so long as such Loan Participant or its nominees shall hold any of the Equipment Notes, promptly upon receipt thereof, duplicates or copies of all reports, notices, requests, demands, certificates, financial statements and other instruments furnished to the Indenture Trustee under this Indenture, to the extent that the same shall not have been furnished to the Indenture Trustee and the Loan Participants pursuant to the Lease.

Section 6.03. No Representations or Warranties as to the Equipment or Documents. NEITHER THE OWNER TRUSTEE NOR THE OWNER TRUSTEE IN ITS INDIVIDUAL CAPACITY NOR THE INDENTURE TRUSTEE MAKES OR SHALL BE DEEMED TO HAVE MADE (i) ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE VALUE, CONDITION, DESIGN, OPERATION, MERCHANTABILITY OR FITNESS FOR USE OF THE EQUIPMENT OR AS TO THEIR TITLE THERETO, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE EQUIPMENT WHATSOEVER, except that the Owner Trustee in its individual capacity hereby represents and warrants that on the Funding Date with respect to any Unit the Owner Trustee received whatever title was conveyed to it by the Seller and that the Equipment shall be free of Lessor's Liens attributable to the Owner Trustee in its individual capacity, or (ii) any representation or warranty as to the validity, legality or enforceability of this Indenture, the Trust Agreement, the Participation Agreement, the Equipment Notes, the Lease, any Lease Supplement, or any Indenture Supplement or any other document or instrument or as to the correctness of any statement contained in any thereof (except as to the representations and warranties made by the Owner Trustee in its individual capacity as set forth in Section 3.1 of the Participation Agreement), except that (x) the Owner Trustee and the Indenture Trustee each in its individual capacity hereby represents and warrants that each of said specified documents to which it is a party has been or will be duly executed and delivered by one of its officers who is and will be duly authorized to execute and deliver such document on its behalf, and (y) the Owner Trustee hereby in its individual capacity represents and warrants that Shawmut Bank, National Association, a national association, has the full power, authority and legal right under the laws of the United States of America to enter into and perform, in its individual capacity or as Owner Trustee, as the case may be, the Trust Agreement and, assuming the due authorization, execution and delivery of the Trust Agreement by the Owner Participant, pursuant thereto, this Indenture, the Participation Agreement and the Lease, and, assuming the due authorization, execution and delivery of the Trust Agreement by the Owner Participant, the execution, delivery and performance of each of such documents have been duly authorized on the part of Shawmut Bank Connecticut, National Association and of the Owner Trustee, as the case may be.

Section 6.04. No Segregation of Moneys; No Interest; Investments. (a) Subject to Section 6.04(b), no moneys received by the Indenture Trustee hereunder need be segregated in any manner except to the extent required by law, and any such moneys may be deposited under such general conditions for the holding of trust funds as may be prescribed by law applicable to the Indenture Trustee, and, except as otherwise agreed by the Owner Trustee or

the Indenture Trustee, as the case may be, neither the Owner Trustee nor the Indenture Trustee shall be liable for any interest thereon.

(b) Any amounts held by the Indenture Trustee pursuant to the express terms of this Indenture or the Lease and not required to be distributed as herein provided shall be invested and reinvested by the Indenture Trustee from time to time in Permitted Investments at the written direction and at the risk and expense of the Lessee, except that in the absence of any such direction, such amounts need not be invested and reinvested and except that after a Lease Event of Default shall have occurred and be continuing, such amounts shall be so invested and reinvested by the Indenture Trustee in Indenture Investments and the Indenture Trustee shall hold any such Indenture Investments until maturity. Any net income or gain realized as a result of any such investments or reinvestment shall be held as part of the Indenture Estate and shall be applied by the Indenture Trustee at the same times, on the same conditions and in the same manner as the amounts in respect of which such income or gain was realized are required to be distributed in accordance with the provisions hereof or of the Lease pursuant to which such amounts were required to be held and if no Lease Event of Default shall have occurred and be continuing any excess shall be paid to the Lessee. Any such Permitted Investments or Indenture Investments may be sold or otherwise reduced to cash (without regard to maturity date) by the Indenture Trustee whenever necessary to make any application as required by such provisions. The Indenture Trustee shall have no liability for any loss resulting from any such investment or reinvestment other than by reason of the willful misconduct or gross negligence of the Indenture Trustee.

Section 6.05. Reliance; Agents; Advice of Counsel. The Indenture Trustee shall incur no liability to anyone acting upon any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond or other document or paper believed by it to be genuine and believed by it to be signed by the proper party or parties. The Indenture Trustee may accept a copy of a resolution of the Board of Directors of any party to the Participation Agreement, certified by the Secretary or an Assistant Secretary of such party as duly adopted and in full force and effect, as conclusive evidence that such resolution has been duly adopted by said Board and that the same is in full force and effect. As to any fact or matter the manner of ascertainment of which is not specifically described herein, the Indenture Trustee may for all purposes hereof rely on a certificate, signed by an officer of the Lessee, as to such fact or matter, and such certificate shall constitute full protection to the Indenture Trustee for any action taken or omitted to be taken by it in good faith in reliance thereon. The Indenture Trustee shall furnish to the Owner Trustee upon request such information and copies of such documents as the Indenture Trustee may have and as are necessary for the Owner Trustee to perform its duties under Article II hereof. The Indenture Trustee shall assume, and shall be fully protected in assuming, that the Owner Trustee is authorized by the Trust Agreement to enter into this Indenture and to take all action permitted to be taken by it pursuant to the provisions hereof, and shall not inquire into the authorization of the Owner Trustee with respect thereto. In the administration of the trusts hereunder, the Indenture Trustee may execute any of the trusts or powers hereof and perform its powers and duties hereunder directly or through agents or

attorneys and may, at the expense of the Indenture Estate, consult with independent counsel, accountants and other skilled persons to be selected and employed by it, and the Indenture Trustee shall not be liable for anything done, suffered, or omitted in good faith by it in accordance with the written advice or opinion of any such independent counsel, accountants or other skilled persons acting within such persons' area of competence (so long as the Indenture Trustee shall have exercised reasonable care in selecting such persons).

Section 6.06. Not Acting in Individual Capacity. The Owner Trustee and the Indenture Trustee each acts hereunder solely as trustee hereunder and, in the case of the Owner Trustee, under the Trust Agreement and not in its individual capacity unless otherwise expressly provided; and all Persons, other than the holders of Equipment Notes to the extent expressly provided in this Indenture, having any claim against the Owner Trustee or the Indenture Trustee by reason of the transactions contemplated hereby shall, subject to the lien and priorities of payment as herein provided, look only to the Indenture Estate for payment or satisfaction thereof.

Section 6.07. No Compensation from Loan Participants or Indenture Estate. The Owner Trustee and the Indenture Trustee agree that they shall have no right against the holders of the Equipment Notes or, in the case of the Indenture Trustee, except as provided in Sections 3.03 and 4.03, the Indenture Estate, for any fee as compensation for its services hereunder.

ARTICLE VII

SUCCESSOR TRUSTEES

Section 7.01. Notice of Successor Owner Trustee. In the case of any appointment of a successor to the Owner Trustee pursuant to the Trust Agreement or any merger, conversion, consolidation or sale of substantially all the business involving the Owner Trustee pursuant to the Trust Agreement, the successor Owner Trustee shall give prompt written notice thereof to the Indenture Trustee, the Lessee and the holders of all Equipment Notes at the time outstanding.

Section 7.02. Resignation of Indenture Trustee; Appointment of Successor. (a) The resignation or removal of the Indenture Trustee and the appointment of a successor Indenture Trustee shall become effective only upon the successor Indenture Trustee's acceptance of appointment as provided in this Section 7.02. The Indenture Trustee or any successor thereto may resign at any time without cause by giving at least 30 days' prior written notice to the Owner Trustee, the Lessee and the holders of the Equipment Notes. A Majority in Interest may at any time remove the Indenture Trustee without cause by an instrument in writing delivered to the Owner Trustee, the Lessee and the Indenture Trustee. In addition, the Lessee, on behalf of the Owner Trustee, may remove the Indenture Trustee if: (i) the Indenture Trustee fails to comply with Section 7.02(c), (ii) the Indenture Trustee is adjudged a bankrupt or an insolvent,

(iii) a receiver or public officer takes charge of the Indenture Trustee or its property or (iv) the Indenture Trustee becomes incapable of acting.

In the case of the resignation or removal of the Indenture Trustee, the Lessee, on behalf of the Owner Trustee (or, in the case of removal, as its designee, the Lessee, to the extent provided by Section 9 of the Participation Agreement) shall promptly appoint a successor Indenture Trustee, provided that a Majority in Interest may appoint, within one year after such resignation or removal, a successor Indenture Trustee which may be other than the successor Indenture Trustee appointed as provided above, and such successor Indenture Trustee appointed as provided above shall be superseded by the successor Indenture Trustee so appointed by a Majority in Interest. If a successor Indenture Trustee shall not have been appointed and accepted its appointment hereunder within 60 days after the Indenture Trustee gives notice of resignation as provided above, the retiring Indenture Trustee, the Lessee, the Owner Trustee or a Majority in Interest may petition any court of competent jurisdiction for the appointment of a successor Indenture Trustee. Any successor Indenture Trustee so appointed by such court shall immediately and without further act be superseded by any successor Indenture Trustee appointed as provided in the proviso to the fifth sentence of this paragraph (a) within one year from the date of the appointment by such court.

(b) Any successor Indenture Trustee, however appointed, shall execute and deliver to the Owner Trustee and the Lessee and to the predecessor Indenture Trustee an instrument accepting such appointment, and thereupon such successor Indenture Trustee, without further act, shall become vested with all the estates, properties, rights, powers, duties and trusts of the predecessor Indenture Trustee hereunder in the trusts hereunder applicable to it with like effect as if originally named the Indenture Trustee herein; but nevertheless, upon the written request of such successor Indenture Trustee, such predecessor Indenture Trustee shall execute and deliver an instrument transferring to such Indenture Trustee, upon the trusts herein expressed applicable to it, all the estates, properties, rights, powers and trusts of such predecessor Indenture Trustee, and such Indenture Trustee shall duly assign, transfer, deliver and pay over to such successor Indenture Trustee all moneys or other property then held by such predecessor Indenture Trustee hereunder.

(c) The Indenture Trustee shall be a bank or trust company having a combined capital and surplus of at least $100,000,000, if there be such an institution willing, able and legally qualified to perform the duties of the Indenture Trustee hereunder upon reasonable or customary terms.

(d) Any corporation into which the Indenture Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Indenture Trustee shall be a party, or any corporation to which substantially all the business of the Indenture Trustee may be transferred, shall, subject to the terms of paragraph (c) of this Section, be the Indenture Trustee under this Indenture without further act.

ARTICLE VIII

SUPPLEMENTS AND AMENDMENTS TO THIS INDENTURE AND OTHER DOCUMENTS

Section 8.01. (a) Supplemental Indentures Without Consent of Holders. The Owner Trustee and the Indenture Trustee, at any time and from time to time, without notice to or the consent of any holders of any Equipment Notes, may enter into one or more indentures supplemental hereto for any of the following purposes:

(i) to correct or amplify the description of any property at any time subject to the lien of this Indenture or better to assure, convey and confirm unto the Indenture Trustee any property subject or required to be subject to the lien of this Indenture; or

(ii) to evidence the succession of another trustee to the Owner Trustee and the assumption by any such successor of the covenants of the Owner Trustee herein and in the Equipment Notes contained, or to evidence (in accordance with Article VII) the succession of a new Indenture Trustee hereunder; or

(iii) to add to the covenants of the Owner Trustee, for the benefit of the holders of the Equipment Notes, or to surrender any right or power herein conferred upon the Owner Trustee; or

(iv) to cure any ambiguity, to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising hereunder so long as any such action does not adversely affect the interests of the holders of the Equipment Notes;

provided that without the consent of the Lessee, no such supplement to this Indenture or waiver or modification of the terms hereof shall alter or modify Article III or IX or the provisions of the proviso to Section 4.03(a) or Section 2.01, 2.04, 2.09 or 4.05.

(b) Supplemental Indentures with Consent of Majority in Interest. With the written consent of a Majority in Interest, the Owner Trustee may, and the Indenture Trustee, subject to Section 8.02 hereof, shall, at any time and from time to time, enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights and obligations of holders of the Equipment Notes and of the Owner Trustee under this Indenture; provided, however, without the consent of each holder of an Equipment Note affected thereby, no such supplemental indenture shall:

(1) change the final maturity of the principal of any Equipment Note, or change the dates or amounts of payment of any installment of the principal of or premium, if any, or interest on any Equipment Note, or reduce the principal amount thereof or the premium, if any, or interest thereon, or change to a location outside the United States the place of payment where, or the coin or currency in which, any Equipment Note or the premium, if any, or interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment of principal or premium, if any, or interest on or after the date such principal or premium, if any, or interest becomes due and payable; or

(2) create any lien with respect to the Indenture Estate ranking prior to, or on a parity with, the security interest created by this Indenture except such as are permitted by this Indenture, or deprive any holder of an Equipment Note of the benefit of the lien on the Indenture Estate created by this Indenture; or

(3) reduce the percentage in principal amount of the Equipment Notes, the consent of whose holders is required for any such supplemental indenture, or the consent of whose holders is required for any waiver (of compliance with certain provisions of this Indenture, or of certain defaults hereunder and their consequences) provided for in this Indenture; or

(4) modify any provisions of this Section 8.01(b), except to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the holder of each Equipment Note affected thereby;

provided that without the consent of the Lessee, no such supplement to this Indenture or waiver or modification of the terms hereof shall alter or modify Article III or IX or the provisions of the proviso to Section 4.03(a) or Section 2.01, 2.04, 2.09 or 4.05.

Section 8.02. Indenture Trustee Protected. If in the opinion of the Indenture Trustee any document required to be executed pursuant to the terms of Section 8.01 adversely affects any right, duty, immunity or indemnity in favor of the Indenture Trustee under this Indenture, the Participation Agreement or the Lease, the Indenture Trustee may in its discretion decline to execute such document. In executing or accepting any supplemental indenture, the Indenture Trustee shall be entitled to receive, and shall be fully protected in relying upon, an opinion of counsel stating that such supplemental indenture is authorized or permitted by this Indenture.

Section 8.03. Request of Substance, Not Form. It shall not be necessary for the consent of the holders of Equipment Notes under Section 8.01(b) to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such consent shall approve the substance thereof. In executing or accepting any supplemental indenture, the Indenture

Trustee shall be entitled to receive, and shall be fully protected in relying upon, an Opinion of Counsel stating that such supplemental indenture is authorized or permitted by this Indenture.

Section 8.04. Documents Mailed to Holders. Promptly after the execution by the Indenture Trustee of any document entered into pursuant to Section 8.01(b), the Indenture Trustee shall mail, by first-class mail, postage prepaid, a conformed copy thereof to each holder of an Equipment Note at its address last known to the Indenture Trustee, but the failure of the Indenture Trustee to mail such conformed copies shall not impair or affect the validity of such document.

Section 8.05. Amendments, Waivers, etc. of Other Documents. (a) Without the consent of a Majority in Interest, the respective parties to the Lease, the Participation Agreement and the Trust Agreement may not modify, amend or supplement any of such agreements, or give any consent, waiver, authorization or approval thereunder, for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions thereof or of modifying in any manner the rights of the respective parties thereunder; provided, however, that the actions specified in subsection (b) of this Section 8.05 may be taken without the consent of the Indenture Trustee or of any holder of an Equipment Note.

(b) Subject to the provisions of subsection (c) of this Section 8.05, the respective parties to the Lease, the Trust Agreement and the Participation Agreement, at any time and from time to time without the consent of the Indenture Trustee or of any holder of an Equipment Note, may:

(1) so long as no Indenture Event of Default shall have occurred and be continuing, modify, amend or supplement the Lease, or give any consent, waiver, authorization or approval with respect thereto, except that without compliance with subsection (a) of this Section 8.05, the parties to the Lease shall not modify, amend or supplement, or give any consent, waiver, authorization or approval for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions thereof or of modifying in any manner the rights of the respective parties thereunder, with respect to the following provisions of the Lease: Section 2, Section 3, Section 4.1, Section 4.2, Section 4.4 (except insofar as it relates to the address or account information of the Owner Trustee or Indenture Trustee) (other than as such Sections 4.1, 4.2 and 4.4 may be amended pursuant to Section 4.1 of the Lease as originally executed), Section 5, Section 6, Section 7.1, Section 7.2, Section 8, Section 9 (except that additional requirements may be imposed on the Lessee's ability to replace a Unit subject to an Event of Loss) Section 10 (except that additional insurance requirements may be imposed on the Lessee), Section 11 (except that additional requirements may be imposed on the Lessee's ability to terminate the Lease with respect to a Unit), Section 12.2, Section 14, Section 15, Section 16, Section 17.1, Section 17.3, Section 21, Section 22, Section 23 (insofar as it applies to Lessee's obligations), Section 26, the first sentence of Section 28 and Section 32; provided that, in the event an Indenture Event of Default shall have

occurred and be continuing, the Indenture Trustee shall have all rights of the Owner Trustee as "Lessor" under the Lease to modify, amend or supplement the Lease or give any consent, waiver, authorization or approval thereunder, for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions thereof or of modifying in any manner the rights of the "Lessor" thereunder; provided further that, subject to the Indenture Trustee's rights to exercise remedies under Section 15 of the Lease without the prior consent of the Owner Trustee, and whether or not an Indenture Event of Default shall have occurred and be continuing, no such action by the Indenture Trustee shall be taken with respect to any of the provisions of Sections 4, 5, 7, 8, 9, 10, 11, 13.1, 14, 17.1, 17.2, 18, 19, 20, 23, 25, 28 (first sentence thereof), 30, 31, 32, 34 and 35 of the Lease and any definition of terms used in the Lease, to the extent that any modification of such definition would result in a modification of the Lease not permitted pursuant to this proviso or, to the extent such action shall affect the amount or timing of any amounts payable by the Lessee under the Lease as originally executed (or as subsequently modified with the consent of the Owner Trustee) which, absent the occurrence and continuance of an Indenture Event of Default, will be distributable to the Owner Trustee under Article III or any other section of the Lease; and any definition of terms used in the Lease, to the extent that any modification of such definition would result in a modification of the Lease not permitted pursuant to this subsection (b);

(2) modify, amend or supplement the Trust Agreement, or give any consent, waiver, authorization or approval with respect thereto, except that without compliance with subsection (a) of this Section 8.05, the parties to the Trust Agreement shall not modify, amend or supplement, or give any consent, waiver, authorization or approval for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions thereof or of modifying in any manner the rights of the respective parties thereunder, with respect to the following provisions of the Trust Agreement: Section 2.02 and Articles IV, VIII, IX and X and any definition of terms used in the Trust Agreement, to the extent that any modification of such definition would result in a modification of the Trust Agreement not permitted pursuant to this subsection (b);

(3) modify, amend or supplement the Participation Agreement, or give any consent, waiver, authorization or approval with respect thereto, except that without compliance with subsection (a) of this Section 8.05, the parties to the Participation Agreement shall not modify, amend or supplement, or give any consent, waiver, authorization or approval for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions thereof or of modifying in any manner the rights of the respective parties thereunder, with respect to the following provisions of the Participation Agreement: Sections 2.3, 2.4, 3, 4, 7 (insofar as such section relates to the Indenture Trustee and the holders of the Equipment Notes) and Section 10.2, each provision of the Participation Agreement which specifically refers to the Indenture Trustee, any Loan Participant or any holder of a Pass Through Certificate and any definition of terms used in the Participation Agreement, to the extent that any

modification of such definition would result in a modification of the Participation Agreement not permitted pursuant to this subsection (b); and

(4) modify, amend or supplement any of said agreements in order to cure any ambiguity, to correct or supplement any provision thereof which may be defective or inconsistent with any other provision thereof or any provision of this Indenture, or to make any other provision with respect to matters or questions arising thereunder or under this Indenture which shall not be inconsistent with the provisions of this Indenture, provided any such action shall not adversely affect the interests of the holders of the Equipment Notes.

(c) No modification, amendment, supplement, consent, waiver, authorization or approval with respect to the Lease or the Participation Agreement, whether effected pursuant to subsection (a) or pursuant to subsection (b) of this Section 8.05, and anything in such subsections or elsewhere in this Indenture to the contrary notwithstanding, shall, without the consent of the holder of each Equipment Note affected thereby:

(1) modify, amend or supplement the Lease in such a way as to extend the time of payment of Basic Rent, Supplemental Rent or Stipulated Loss Value or any other amounts payable under, or as provided in, the Lease upon the occurrence of an Event of Loss or Termination Value or any other amounts payable under, or as provided in, the Lease upon termination thereof or reduce the amount of any installment of Basic Rent so that the same is less than the payment of interest and principal on the Equipment Notes, as the case may be, to be made from such installment of Basic Rent or reduce the aggregate amount of Stipulated Loss Value or any other amount payable under, or as provided in, the Lease upon the occurrence of an Event of Loss so that the same is less than the accrued interest on and principal of the Equipment Notes required to be paid at the time of such payments, or reduce the amount of Termination Value or any other amount payable under, or as provided in, the Lease upon termination thereof so that the same is less than the accrued interest on and principal of the Equipment Notes required to be paid at the time of such payments; or

(2) modify, amend or supplement the Lease in such a way as to, or consent to any assignment of the Lease or give any consent, waiver, authorization or approval which would, release the Lessee from its obligation in respect of payment of Basic Rent, Supplemental Rent or Stipulated Loss Value or any other amount payable under, or as provided in, the Lease upon the occurrence of an Event of Loss, or Termination Value or any other amount payable under, or as provided in, the Lease upon termination thereof, except for any such assignment pursuant to Section 6.8 of the Participation Agreement, and except as provided in the Lease; or

(3) modify, amend or supplement the Lease in such a way as to, or give any consent, waiver, authorization or approval with respect thereto which would, materially adversely impact the interests of the Indenture Trustee or any Holder.

In executing or accepting any modification, amendment or supplement of any such agreements, the Indenture Trustee shall be entitled to receive, and shall be fully protected in relying upon, an opinion of counsel stating that such modification, amendment or supplement is authorized by, and consistent with the terms of, this Indenture and the relevant agreement.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Termination of Indenture. With respect to each Unit, this Indenture and the trusts created hereby shall terminate and this Indenture shall be of no further force or effect upon the earliest to occur of (i) the termination of the Lease with respect to such Unit by Lessee pursuant to Section 9 thereof and upon payment in full to the Indenture Trustee of the amounts required to be paid pursuant to Section 2.09(a) in respect of such Unit, (ii) the termination of the Lease with respect to such Unit pursuant to Section 11 thereof and upon payment in full to the Indenture Trustee of the amounts required to be paid pursuant to Section 2.09(b) in respect of such Unit, and (iii) the payment in full of the principal amount of and interest on all the Equipment Notes outstanding hereunder and all other sums payable to the Indenture Trustee and the holders of the Equipment Notes hereunder and under such Equipment Notes and under the Participation Agreement.

Section 9.02. No Legal Title to Indenture Estate in Holders. No holder of an Equipment Note shall have legal title to any part of the Indenture Estate. No transfer, by operation of law or otherwise, of any Equipment Note or other right, title and interest of any holder of an Equipment Note in and to the Indenture Estate or hereunder shall operate to terminate this Indenture or the trusts hereunder or entitle any successor or transferee of such holder to an accounting or to the transfer to it of legal title to any part of the Indenture Estate.

Section 9.03. Sale of Equipment by Indenture Trustee is Binding. Any sale or other conveyance of the Equipment by the Indenture Trustee made pursuant to the terms of this Indenture or the Lease shall bind the holders of the Equipment Notes, the Owner Trustee and the Owner Participant and shall be effective to transfer or convey all right, title and interest of the Indenture Trustee, the Owner Trustee, the Owner Participant and such holders of the Equipment Notes in and to the Equipment. No purchaser or other grantee shall be required to inquire as to the authorization, necessity, expediency or regularity of such sale or conveyance or as to the application of any sale or other proceeds with respect thereto by the Indenture Trustee.

Section 9.04. Remedies Cumulative. Each and every right, power and remedy herein specifically given to the Indenture Trustee or otherwise in this Indenture shall be cumulative and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy whether specifically herein given or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by the Indenture Trustee, and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the time or thereafter any other right, power or remedy. No delay or omission by the Indenture Trustee in the exercise of any right, remedy or power or in the pursuance of any remedy shall impair any such right, power or remedy or be construed to be a waiver of any default on the part of the Owner Trustee or the Lessee or to be an acquiescence therein.

Section 9.05. Discontinuance of Proceedings. In case the Indenture Trustee shall have proceeded to enforce any right, power or remedy under this Indenture by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Indenture Trustee, then and in every such case the Owner Trustee, the Owner Participant, the Indenture Trustee and the Lessee shall be restored to their former positions and rights hereunder with respect to the Indenture Estate, and all rights, remedies and powers of the Indenture Trustee shall continue as if no such proceedings had been undertaken (but otherwise without prejudice).

Section 9.06. Indenture and Equipment Notes for Benefit of Owner Trustee, Indenture Trustee, Owner Participant and Holders Only. Nothing in this Indenture, whether express or implied, shall be construed to give to any Person other than the Owner Trustee (individually and as trustee), the Indenture Trustee, the Owner Participant (as set forth herein), the Lessee and the holders of the Equipment Notes any legal or equitable right, remedy or claim under or in respect of this Indenture or any Equipment Note.

Section 9.07. Notices. Unless otherwise expressly specified or permitted by the terms hereof, all notices required or permitted under the terms and provisions hereof shall be in writing, and shall become effective when deposited in the United States mail, with proper postage for first class registered or certified mail prepaid, when delivered personally, or, if promptly confirmed by mail as provided above, when dispatched by telegram, telex or other written telecommunication addressed

(i) if to the Owner Trustee, to:

Shawmut Bank Connecticut, National Association
777 Main Avenue
Hartford, Connecticut 06115
Attention: Corporate Trust
Administration - Chicago and
North Western (CNW 1994-A),

(ii) if to the Indenture Trustee, to:

Harris Trust and Savings Bank
311 West Monroe Street
Chicago, Illinois 60606
Attention: Indenture Trust
Division (CNW 1994-A),

(iii) if to any Loan Participant, at such address as is set forth on Schedule 2 of the Participation Agreement or, if not so specified, at the address set forth in the register maintained pursuant to Section 2.06 hereof, or at such address as such Loan Participant shall have furnished by notice to the Owner Trustee and the Indenture Trustee,

(iv) if to the Lessee, to:

165 North Canal Street
Chicago, Illinois 60606
Attention: John E. Voldseth,

(v) if to the Owner Participant, to:

General Foods Credit Corporation
800 Westchester Avenue
Rye Brook, New York 10573-1301
Attention: Vice President-Leasing, and

(vi) if to any of the foregoing Persons, at such other address as such Person shall from time to time designate by written notice to the other parties hereto in accordance with this Section 9.07.

Notwithstanding the foregoing provisions, for purposes of Sections 4.01, 4.02, 5.01 and 5.02, written notice shall be deemed given when it is in fact received (by mail or otherwise) by any addressee at the respective addresses specified above.

Notwithstanding any other provision hereof, if an installment of Basic Rent or any payment of principal of, premium, if any, and interest on the Equipment Notes is not received by the Indenture Trustee when due, the Indenture Trustee shall on the next succeeding Business Day use its reasonable best efforts to give immediate written notice by telex or its equivalent or by telephone (confirmed in writing) to the Owner Trustee, each holder of an Equipment Note, the Owner Participant and the Lessee, which shall be effective when given.

Section 9.08. Severability. Any provision of this Indenture which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or enforceability without invalidating 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. In the event of any inconsistency or conflict between any provision of this Indenture and any provision of the Trust Agreement, such provision in this Indenture shall govern and control.

Section 9.09. Separate Counterparts. This Indenture may be executed in any number of counterparts (and each of the parties hereto shall not be required to execute the same counterpart). Each counterpart of this Indenture including a signature page executed by each of the parties hereto shall be an original counterpart of this Indenture, but all of such counterparts together shall constitute one instrument.

Section 9.10. Successors and Assigns. All covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the Owner Trustee and its successors and permitted assigns, the Owner Participant and its successors and permitted assigns, and the Indenture Trustee and its successors and permitted assigns, and each holder of an Equipment Note, all as herein provided. Any request, notice, direction, consent, waiver or other instrument or action by any holder of an Equipment Note shall bind the successors and assigns of such holder.

Section 9.11. Headings. The headings of the various Articles and Sections herein are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

Section 9.12. Governing Law. THIS INDENTURE SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, INCLUDING ALL MATTER OF CONSTRUCTION, VALIDITY AND PERFORMANCE. THIS INDENTURE IS BEING DELIVERED IN THE STATE OF NEW YORK.

Section 9.13. Normal Commercial Relations. Anything contained in this Indenture to the contrary notwithstanding, the Owner Participant, the Owner Trustee or the Indenture Trustee or any affiliate of the Owner Participant, the Owner Trustee or the Indenture Trustee may enter into commercial banking or other financial transactions, and conduct being

or other commercial relationships, with the Lessee, any holder of an Equipment Note or the Indenture Trustee (in its individual capacity or otherwise) or the Owner Trustee (in its individual capacity or otherwise) fully to the same extent as if this Indenture were not in effect, including, without limitation, the making of loans or other extensions of credit for any purpose whatsoever.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed by their respective officers or attorneys-in-fact, as the case may be, thereunto duly authorized, as of the day and year first above written.

HARRIS TRUST AND SAVINGS BANK, as Indenture Trustee

By: _____

Title: VICE PRESIDENT

SHAWMUT BANK CONNECTICUT, NATIONAL ASSOCIATION, not in its individual capacity except as set forth in Section 6.03 hereof, but solely as Owner Trustee

By: _____

Title:

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed by their respective officers or attorneys-in-fact, as the case may be, thereunto duly authorized, as of the day and year first above written.

HARRIS TRUST AND SAVINGS BANK, as Indenture Trustee

By: _____
Title:

SHAWMUT BANK CONNECTICUT, NATIONAL ASSOCIATION, not in its individual capacity except as set forth in Section 6.03 hereof, but solely as Owner Trustee

By: _____
Title: MARK A. FORGETTA
VICE PRESIDENT

STATE OF Illinois)
) ss:
COUNTY OF Cook)

On this 11th day of March, 1994, before me personally appeared J. Bartolini, to me personally known, who, by me being duly sworn, says that she is a Vice President of Harris Trust and Savings Bank, and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

My commission expires

OFFICIAL SEAL
KIMBERLY LANGE
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 12-14-97

STATE OF CONNECTICUT)
) ss:
COUNTY OF HARTFORD)

On this 11th day of March, 1994, before me personally appeared Mark A. Forgetta, to me personally known, who, by me being duly sworn, says that he is a Vice President of Shawmut Bank Connecticut, National Association, and that the foregoing instrument was signed on behalf of said bank 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 bank.

Karen R. Felt

Notary Public

KAREN R. FELT
NOTARY PUBLIC
My Commission Expires 02/28/99

My commission expires

FORM OF EQUIPMENT NOTE

_%** SERIES A EQUIPMENT NOTE

(Secured by, among others, Lease Obligations of Chicago and North Western Transportation Company)

Issued in Connection with certain Railroad Rolling Stock

No. _____ New York, New York
$_____, _____

SHAWMUT BANK CONNECTICUT, NATIONAL ASSOCIATION, not in its individual capacity, but solely as owner trustee (herein in such capacity called the "Owner Trustee") under that certain Trust Agreement (CNW 1994-A), dated as of March 1, 1994, as from time to time supplemented and amended (herein called the "Trust Agreement"), between the Owner Trustee in its individual capacity and the institution referred to therein as the "Owner Participant", hereby promises to pay to HARRIS TRUST AND SAVINGS BANK or registered assigns, the principal sum of $_____ in lawful currency of the United States of America, in installments payable on the dates set forth in Exhibit A hereto, commencing _____, 199_ and thereafter to and including [insert final principal payment date], each such installment to be in an amount equal to the corresponding percentage (if any) of the remaining principal amount hereof set forth in Exhibit A hereto, together with interest thereon on the amount of such principal amount remaining unpaid from time to time from and including the date hereof until such principal amount shall be due and payable, payable on _____, 199_ and on each October 30 and April 30 thereafter to the maturity date hereof at the rate of ___ per annum (computed on the basis of a 360-day year of twelve 30-day months). Interest on any overdue principal shall be paid from the due date thereof at the rate of interest applicable to this Equipment Note, payable on demand. No interest shall be payable under this Equipment Note on any overdue interest or premium, if any, hereon.

All payments of principal and interest and premium, if any, to be made hereunder and under the Trust Indenture and Security Agreement (CNW 1994-A), dated as of March 1, 1994, as from time to time amended and supplemented (herein called the "Indenture", the

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** Insert appropriate interest rate for such Series of Equipment Notes.

defined terms therein not otherwise defined herein being used herein with the same meanings), between the Owner Trustee and Harris Trust and Savings Bank, as Indenture Trustee thereunder for the holder of this Equipment Note and the holders of other Equipment Notes outstanding thereunder (herein in such capacity called the "Indenture Trustee"), shall be made only from the income and proceeds from the Indenture Estate and only to the extent that the Indenture Trustee shall have sufficient income or proceeds from the Indenture Estate to make such payments in accordance with the terms of Article III of the Indenture. Each holder hereof, by its acceptance of this Equipment Note, agrees that it will look solely to the income and proceeds from the Indenture Estate to the extent available for distribution to the holder hereof as provided in the Indenture and that none of the Owner Trustee, the Owner Participant, the Indenture Trustee or their permitted successors and assigns is or shall be personally liable to the holder hereof for any amount payable under this Equipment Note or the Indenture or, except as expressly provided in the Participation Agreement or the Indenture, for any liability under the Participation Agreement or (in the case of the Owner Trustee or the Indenture Trustee) the Indenture.

Payments with respect to the principal amount hereof, premium, if any, and interest thereon shall be payable in U.S. dollars in immediately available funds at the principal bond and trustee administration office of the Indenture Trustee, or as otherwise provided in the Indenture. Each such payment shall be made on the date such payment is due and, except for the last payment of principal hereof, without any presentment or surrender of this Equipment Note. Whenever the date scheduled for any payment to be made hereunder or under the Indenture shall not be a Business Day, then such payment need not be made on such scheduled date but may be made on the next succeeding Business Day with the same force and effect as if made on such scheduled date and (provided such payment is made on such next succeeding Business Day) no interest shall accrue on the amount of such payment from and after such scheduled date to the time of such payment on such next succeeding Business Day.

Each holder hereof, by its acceptance of this Equipment Note, agrees that each payment received by it hereunder shall be applied, first, to the payment of accrued but unpaid interest on this Equipment Note then due, second, to the payment of the unpaid principal amount of this Equipment Note then due, and third, to the payment of any premium then due.

This Equipment Note is one of the Equipment Notes referred to in the Indenture which have been or are to be issued by the Owner Trustee pursuant to the terms of the Indenture. The Equipment purchased on the date hereof is being held as part of the Indenture Estate by the Indenture Trustee as security for this Equipment Note. Reference is hereby made to the Indenture for a statement of the rights of the holder of, and the nature and extent of the security for, this Equipment Note, as well as for a statement of the terms and conditions of the trusts created by the Indenture, to all of which terms and conditions in the Indenture each holder hereof agrees by its acceptance of this Equipment Note.

This Equipment Note is not subject to redemption or prepayment except as provided in Sections 2.09, 3.02 and 3.03 of the Indenture. This Equipment Note is subject to

purchase by the Owner Participant as provided in Section 4.04(b) of the Indenture. The holder hereof, by its acceptance of this Equipment Note, agrees to be bound by said provisions.

This Equipment Note is a registered Equipment Note and is transferable, as provided in the Indenture, only upon surrender of this Equipment Note for registration of transfer duly endorsed by, or accompanied by a written statement of transfer duly executed by, the registered holder hereof or his attorney duly authorized in writing. Prior to the due presentation for registration of transfer of this Equipment Note, the Owner Trustee and the Indenture Trustee may deem and treat the registered holder of this Equipment Note as the absolute owner and holder hereof for the purpose of receiving payment of all amounts payable with respect hereto and for all other purposes and shall not be affected by any notice to the contrary.

THIS EQUIPMENT NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AND MAY NOT BE TRANSFERRED IN VIOLATION OF SUCH ACT. THIS EQUIPMENT NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

Unless the certificate of authentication hereon has been executed by or on behalf of the Indenture Trustee by manual signature, this Equipment Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Owner Trustee has caused this Equipment Note to be executed by one of its authorized officers as of the date hereof.

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

By _____

[FORM OF INDENTURE TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

This is one of the Equipment Notes referred to in the within-mentioned Indenture.

HARRIS TRUST AND SAVINGS BANK, as Indenture Trustee

By _____
Authorized Officer

[Here insert Annex A, Amortization Schedule]

TRUST INDENTURE SUPPLEMENT
(CNW 1994-A) NO. __

This INDENTURE SUPPLEMENT (CNW 1994-A) No. _, dated as of ___(this "Indenture Supplement") between SHAWMUT BANK CONNECTICUT, NATIONAL ASSOCIATION, a national banking association, not in its individual capacity but solely as trustee (the "Owner Trustee") under the Trust Agreement (CNW 1994-A), dated as of March 1, 1994 (the "Trust Agreement"), between the Owner Trustee in its individual capacity and General Foods Credit Corporation, a Delaware corporation, as Owner Participant, and HARRIS TRUST AND SAVINGS BANK, an Illinois banking corporation, as Indenture Trustee (the "Indenture Trustee") under the Trust Indenture and Security Agreement (CNW 1994-A), dated as of March 1, 1994 (the "Indenture"), between the Owner Trustee and the Indenture Trustee;

W I T N E S S E T H :

WHEREAS, the Indenture provides for the execution and delivery of supplements thereto (individually, an "Indenture Supplement" and, collectively, "Indenture Supplements") substantially in the form hereof which shall particularly describe the Equipment (such term and other terms defined in the Indenture referred to below being used herein as therein defined) included in the property covered by the Trust Agreement, by having attached thereto a copy of the Lease Supplement covering the Equipment and shall specifically mortgage the Equipment to the Indenture Trustee; and

WHEREAS, the Indenture relates to the Equipment described in the copy of the Lease Supplement of even date herewith attached hereto and made a part hereof, and a counterpart of the Indenture is attached to and made a part of this Indenture Supplement;

NOW, THEREFORE, in order to secure the prompt payment of the principal of, and premium, if any, and interest on each Equipment Note issued on the date hereof and outstanding under the Indenture and the performance and observance by the Owner Trustee of all the agreements, covenants and provisions in the Indenture for the benefit of the holders of the Equipment Notes in such Equipment Notes, subject to the terms and conditions of the Indenture, and in consideration of the premises and of the covenants contained in the Indenture and of the acceptance of such Equipment Notes by the holders thereof, and of the sum of $1.00 paid to the Owner Trustee by the Indenture Trustee at or before the delivery hereof, the receipt whereof is hereby acknowledged, the Owner Trustee (i) has sold, assigned, transferred, pledged and confirmed, and does hereby sell, assign, transfer, pledge and confirm, the property

comprising the Equipment described in the copy of the Lease Supplement attached hereto and (ii) has sold, assigned, transferred and set over, all of the right, title and interest of the Owner Trustee under, in and to the Lease Supplement of even date herewith (excluding, however, any rights to Excepted Property thereunder), referred to above, to the Indenture Trustee, its successors and assigns, in the trust created by the Indenture for the benefit of the holders from time to time of the Equipment Notes.

To have and to hold all and singular the aforesaid property unto the Indenture Trustee, its successors and assigns, in trust for the benefit and security of the holders from time to time of the Equipment Notes issued on the date hereof and for the uses and purposes and subject to the terms and provisions set forth in the Indenture.

This Supplement shall be construed as supplemental to the Indenture and to the Trust Agreement and shall form a part of each, and the Trust Agreement and the Indenture are each hereby incorporated by reference herein and each is hereby ratified, approved and confirmed.

This Supplement is being delivered in the State of New York.

This Supplement may be executed by the Owner Trustee in separate counterparts, each of which when so executed and delivered is an original, but all such counterparts shall together constitute but one and the same Supplement.

AND FURTHER, the Owner Trustee hereby acknowledges that the Equipment referred to in the aforesaid Lease Supplement attached hereto and made a part hereof has been purchased by to the Owner Trustee and is included in the property of the Owner Trustee covered by all the terms and conditions of the Trust Agreement, subject to the pledge or mortgage thereof under the Indenture.

IN WITNESS WHEREOF, the Owner Trustee has caused this Indenture Supplement to be duly executed by one of its duly authorized officers, as of the day and year first above written.

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

By:_____
Title:

TERMS OF EQUIPMENT NOTES

Equipment Notes	Principal Amount	Interest Rate	Final Maturity
Series A Equipment Notes			
May 2, 1994	$22,859,000	7.52%	October 30, 2014
June 8, 1994	$34,153,000	7.52%	October 30, 2014
June 15, 1994	$17,065,000	7.52%	October 30, 2014
Maximum Aggregate Principal Amount	$74,077,000		

LOAN PARTICIPANT

Equipment Notes	Loan Participant	Percentage of Principal Amount
Series A Equipment Notes	Harris Trust and Savings Bank, as Trustee under the Pass Through Trust Agreement, dated as of March 1, 1994, between Harris Trust and Savings Bank and Chicago and North Western Transportation Company.	100%

APPENDIX A
Lease of Railroad Equipment

DEFINITIONS

General Provisions

The following terms shall have the following meanings for all purposes of the Operative Agreements referred to below, unless otherwise defined in an Operative Agreement or the context thereof shall otherwise require and such meanings shall be equally applicable to both the singular and the plural forms of the terms herein defined. In the case of any conflict between the provisions of this Appendix A and the provisions of the main body of any Operative Agreement, the provisions of the main body of such Operative Agreement shall control the construction of such Operative Agreement.

Unless the context otherwise requires, (i) references to agreements shall be deemed to mean and include such agreements as the same may be amended, supplemented and otherwise modified from time to time, and (ii) references to parties to agreements shall be deemed to include the permitted successors and assigns of such parties.

Defined Terms

"Acceptance Date" shall mean, with respect to any Unit, the date of delivery and acceptance by Lessee on behalf of Lessor of any such Unit.

"Adjustment Event" shall have the meaning set forth in Section 2.7 of the Participation Agreement.

"Adjustment Event Certificate" shall have the meaning set forth in Section 2.7(b) of the Participation Agreement.

"Advance" shall have the meaning specified in Section 4.3 of the Lease.

"Affiliate" of any Person shall mean any other Person which directly or indirectly controls, or is controlled by, or is under common control with, such Person. The term "control"

means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" shall have meanings correlative to the foregoing.

"After-Tax Basis" means (a) with respect to any payment to be received by an Indemnitee (which, for purposes of this definition, shall include any Tax Indemnitee and, for purposes of the Tax Indemnity Agreement, the Owner Participant (as defined therein)), the amount of such payment supplemented by a further payment or payments so that, after deducting from such payments the amount of all Taxes (net of any current credits, deductions or other Tax benefits arising from the payment by the Indemnitee of any amount, including Taxes, for which the payment to be received is made) actually imposed currently on the Indemnitee by any Governmental Authority or taxing authority with respect to such payments, the balance of such payments shall be equal to the original payment to be received and (b) with respect to any payment to be made by any Indemnitee, the amount of such payment supplemented by a further payment or payments so that, after increasing such payment by the amount of any current credits or other Tax benefits realized by the Indemnitee under the laws of any Governmental Authority or taxing authority resulting from the making of such payments, the sum of such payments (net of such credits or benefits) shall be equal to the original payment to be made; provided, however, for the purposes of this definition, it shall be assumed that for the Owner Participant (or any Affiliate thereof) as an Indemnitee, federal, state and local taxes are payable at the highest marginal federal, state and local statutory income tax rates applicable to corporations from time to time.

"Applicable Law" shall mean all applicable laws, statutes, treaties, rules, codes, ordinances, regulations, permits, certificates, orders, interpretations and licenses of any Governmental Authority and judgments, decrees, injunctions, writs, orders or like action of any court, arbitrator or other administrative, judicial or quasi-judicial tribunal or agency of competent jurisdiction (including those pertaining to health, safety or the environment).

"Appraisal" shall have the meaning specified in Section 4.3(a) of the Participation Agreement.

"Average Life Date" shall mean, with respect to the prepayment or purchase of an Equipment Note, the date which follows the prepayment date or Purchase Date, as the case may be, by a period equal to the Remaining Weighted Average Life of such Equipment Note.

"Bankruptcy Code" shall mean the United States Bankruptcy Reform Act of 1978, as amended from time to time, 11 U.S.C. §§ 101 et seq.

"Base Lease Term" shall have the meaning specified in Section 5 of the Lease.

"Base Lease Term Commencement Date" shall mean October 30, 1994.

"Base Lease Term Expiration Date" shall mean October 30, 2015.

"Basic Rent" shall mean, with respect to any Unit, all rent payable by the Lessee to the Lessor pursuant to Section 4.1 of the Lease for the Base Lease Term for such Unit, and all rent payable pursuant to Section 18 of the Lease for any Renewal Term for such Unit.

"Beneficial Interest" shall mean the interest of the Owner Participant in the Trust Estate.

"Bill of Sale" shall mean, with respect to any Unit, the bill of sale, dated on or prior to each Funding Date, from Seller to Owner Trustee covering such Unit, substantially in the form of Exhibit B to the Participation Agreement.

"Business Day" shall mean any day other than a Saturday, Sunday or a day on which commercial banking institutions are authorized or required by law, regulation or executive order to be closed in New York, New York, Hartford, Connecticut, Chicago, Illinois, and, until the lien of the Indenture has been discharged, the city and state in which the principal corporate trust office of the Indenture Trustee is located.

"Certificate of Acceptance" shall have the meaning specified in Section 2.4(b) of the Participation Agreement.

"Change in Tax Law" shall mean a change, amendment, modification, addition or deletion in or to the Code, any regulation thereunder (whether proposed, temporary or final) or any revenue ruling, revenue procedure or other published administrative determination or guidance.

"Closing Date" shall mean the Debt Closing Date or any Funding Date.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"Commitment" with respect to the Owner Participant, shall have the meaning specified in Section 2.3(a) to the Participation Agreement and with respect to each Loan Participant, shall have the meaning specified in Section 2.3(b) to the Participation Agreement.

"Debt Amortization" with respect to any Equipment Note shall mean the amortization schedule of principal payments applicable thereto.

"Debt Closing Date" shall mean the date on which the Pass Through Certificates

are issued and the proceeds thereof are deposited with the Pass Through Trustee.

"Debt Rate" shall mean, as of the date of determination, a rate equal to the weighted average rate of interest per annum borne by the Equipment Notes then outstanding (computed on the basis of a 360-day year of twelve 30-day months).

"Determination Date" shall mean the 30th day of any calendar month.

"EBO Amount" shall mean, with respect to any Unit as of the applicable EBO Date, the amount applicable to such Unit set forth in Schedule 6 to the Participation Agreement opposite such EBO Date.

"EBO Date" shall mean, with respect to any Unit, the date applicable to such Unit set forth as the "EBO Date" in Schedule 6 to the Participation Agreement.

"Equipment" shall mean collectively those items of railroad rolling stock described in Schedule A to the Lease, as modified in Schedule A to each Lease Supplement, together with any and all accessions, additions, improvements and replacements from time to time incorporated or installed in any item thereof which are the property of the Owner Trustee pursuant to the terms of the Lease.

"Equipment Cost" shall mean, for each Unit, the purchase price therefor paid by the Owner Trustee to the Seller pursuant to Section 2 of the Participation Agreement and as set forth in Schedule 1 to the Participation Agreement with respect to such Unit.

"Equipment Notes" shall mean the Equipment Notes, each to be substantially in the form therefor set forth in Exhibit A to the Indenture, issued by the Owner Trustee pursuant to Section 2.01 of the Indenture, and authenticated by the Indenture Trustee, in principal amounts and bearing interest at the rates and payable as provided in Section 2.01 of the Indenture and secured as provided in the Granting Clause of the Indenture, and shall include any Equipment Notes issued in exchange therefor or replacement thereof pursuant to Section 2.06 or 2.07 of the Indenture.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, or any successor law.

"Event of Loss" shall have the meaning specified in Section 9 of the Lease.

"Excepted Property" shall mean (i) any right, title or interest of the Owner Trustee in its individual capacity or the Owner Participant to any payment which by the terms of Section 7 or the second proviso of Section 10.2, to the extent such proviso relates to tax indemnification, of the Participation Agreement, Section 32 of the Lease, Section 5.03 or 7.01

of the Trust Agreement or any section of the Tax Indemnity Agreement or any corresponding payment under Section 4.2 of the Lease shall be payable to the Owner Trustee in its individual capacity or to the Owner Participant, as the case may be, (ii) any insurance proceeds payable under insurance maintained by the Owner Trustee in its individual capacity or the Owner Participant pursuant to Section 10.3 of the Lease, (iii) any insurance proceeds payable to the Owner Trustee in its individual capacity or to the Owner Participant under any public liability insurance maintained by Lessee pursuant to Section 10 of the Lease or by any other Person, (iv) any rights of the Owner Participant or the Owner Trustee in its individual capacity to demand, collect, sue for, or otherwise receive and enforce payment of the foregoing amounts, (v) any amount payable to the Owner Participant by any Transferee as the purchase price of the Owner Participant's interest in the Trust Estate in compliance with the terms of the Participation Agreement and the Trust Agreement and (vi) the respective rights of the Owner Trustee in its individual capacity or the Owner Participant to the proceeds of the foregoing.

"Fair Market Rental Value" or "Fair Market Sales Value" with respect to any Unit of Equipment shall mean the cash rental, or the cash purchase price (as of such date as the context herein requires), as the case may be, which would be obtained in an arm's-length transaction between an informed and willing lessee or purchaser, as the case may be, and an informed and willing lessor or seller, as the case may be (other than a lessee currently in possession), under no compulsion to lease or sell, as the case may be, but there shall be excluded from such determination any rental or purchase value attributable to additions, modifications and improvements which the Lessee is entitled to remove pursuant to Sections 25.2 and 25.3 of the Lease and without consideration of the Lessee's purchase or renewal options; provided, however, that Fair Market Rental Value shall be determined on the basis of the term and other terms and conditions of the lease being considered. In making such determination, costs of removal from the location of current use shall not be a deduction from such rental or purchase price and it shall be assumed that the Units have been collected in one place on the lines of the Lessee as directed by the Lessor. Fair Market Rental Value or Fair Market Sales Value of any Unit shall be determined on the assumption that such Unit is in the condition and state of repair required under Section 8.1 of the Lease and that Lessee is in compliance with the Lease and the other Operative Agreements. If, after 20 days from the giving of notice by the Lessee of the Lessee's election to extend the term of the Lease or the giving of notice by the Lessee that it intends to purchase Units, as permitted under the Lease, the Owner Participant and the Lessee are unable to agree upon a determination of the Fair Market Rental Value or Fair Market Sales Value of the Units, such rental or purchase price shall be determined in accordance with the foregoing definition by the following procedure: If either the Owner Participant or the Lessee shall have given written notice to the other requesting determination of such rental or purchase price by this appraisal procedure, such parties shall consult for the purpose of appointing a qualified independent appraiser by mutual agreement. If no such appraiser is so appointed within 15 Business Days after such notice is given, each such party shall appoint an independent appraiser within 20 Business Days after such notice is given, and the two appraisers so appointed shall within 15 Business Days after such notice is

given appoint a third independent appraiser. If no such third appraiser is appointed within 15 Business Days after such notice is given, either such party may request the American Arbitration Association to make such appointment, and both parties shall be bound by any appointment so made. Any appraiser or appraisers appointed pursuant to the foregoing procedure shall be instructed to determine the Fair Market Rental Value or the Fair Market Sales Value, as the case may be, of the Units then to be appraised, within 30 days after his or their appointment. If such parties shall have appointed a single appraiser or if either such party shall have failed to appoint an appraiser, the determination of Fair Market Rental Value or Fair Market Sales Value, as the case may be, of the single appraiser appointed shall be final. If three appraisers shall be appointed, the determination of the appraiser which differs most from that of the other two appraisers shall be excluded, the remaining two determinations shall be averaged and such latter average shall be final and binding as the Fair Market Rental Value or Fair Market Sales Value, as the case may be. The appraisal proceedings shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association as in effect on the date hereof, except as modified hereby. The provision for this appraisal procedure shall be the exclusive means of determining Fair Market Rental Value or Fair Market Sale Value, as the case may be, and shall be in lieu of any judicial or other procedure for the determination thereof, and each party hereto hereby consents and agrees not to assert any judicial or other procedures. If a mutually acceptable appraiser is selected, Lessor and Lessee shall each bear one half of the cost thereof. If three appraisers are selected as provided above, the Lessee shall bear the cost of the appraiser selected by Lessee, the Lessor shall bear the cost of the appraiser selected by Lessor and the Lessee and the Lessor shall equally share the cost of the third appraiser. If such appraisal is in connection with the exercise of remedies set forth in Section 15 of the Lease, the Lessee shall pay the costs of such appraisal. Notwithstanding any of the foregoing, for the purposes of Section 15 of the Lease, the Fair Market Rental Value or the Fair Market Sales Value, as the case may be, shall be zero with respect to any Unit if Lessor is unable to recover possession of such Unit in accordance with the terms of paragraph (b) of Section 15.1 of the Lease.

"Final Rent Payment Date" shall mean, for each Unit, the last Rent Payment Date during the Base Lease Term applicable to such Unit.

"Funding Date" with respect to any Unit shall have the meaning specified therefor in Section 2.4(b)(ii) of the Participation Agreement.

"Governmental Authority" shall mean any federal, state, county, municipal or other United States federal, state or local governmental authority, agency, board, body, instrumentality, tribunal, court or quasi-governmental authority or governmental authority, agency, board, body, instrumentality, tribunal, court or quasi-governmental authority of Canada or Mexico.

"Guarantor" shall mean Philip Morris Capital Corporation, a Delaware

corporation, and its permitted successors and assigns.

"Hazardous Substances" shall mean any hazardous or toxic substances, materials or wastes, including, but not limited to, those substances, materials and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances, materials and wastes which are or become regulated under any Applicable Law including, without limitation, any materials, waste or substance which is (a) petroleum, (b) asbestos, (c) polychlorinated biphenyl, (d) defined as "hazardous material", "hazardous substance" or "hazardous waste" under Applicable Laws, (e) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, (f) defined as "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, or (g) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act.

"Holder" shall mean a Person in whose name an Equipment Note is registered.

"ICC" shall mean the Interstate Commerce Commission.

"Indemnified Person" shall have the meaning specified in Section 7.2(b) of the Participation Agreement.

"Indenture" or "Trust Indenture" shall mean the Trust Indenture and Security Agreement (CNW 1994-A), dated as of March 1, 1994 between the Owner Trustee, in the capacities described therein, and Indenture Trustee, as amended, supplemented or otherwise modified from time to time, including supplementation by each Indenture Supplement pursuant thereto.

"Indenture Default" shall mean an Indenture Event of Default or an event which with notice or the lapse of time or both would constitute an Indenture Event of Default.

"Indenture Estate" shall have the meaning specified in the Granting Clause of the Indenture as modified by the "notwithstanding" provision contained therein.

"Indenture Event of Default" shall have the meaning specified in Section 4.01 of the Indenture.

"Indenture Investment" shall mean any obligation issued or guaranteed by the United States of America or any of its agencies for the payment of which the full faith and credit of the United States of America is pledged.

"Indenture Supplement" shall mean the Indenture Supplement dated a Funding Date, substantially in the form of Exhibit B to the Indenture, between the Owner Trustee, in the

capacities described therein, and the Indenture Trustee, covering the Units purchased by the Owner Trustee on such Funding Date.

"Indenture Trustee" shall mean Harris Trust and Savings Bank, an Illinois banking corporation, as trustee under the Indenture and its successors thereunder.

"Indenture Trustee Agreements" shall mean the Operative Agreements to which the Indenture Trustee is or will be a party.

"Independent Investment Banker" shall mean an independent investment banking institutions of national standing appointed by Lessee.

"Initial Funding" shall have the meaning specified therefor in Section 2.4(b)(ii) of the Participation Agreement.

"Initial Funding Date" shall have the meaning specified therefor in Section 2.4(b)(ii) of the Participation Agreement.

"Interchange Rules" shall mean the interchange rules or supplements thereto of the Mechanical Division of the Association of American Railroads, as the same may be in effect from time to time.

"Interest Payment Date" shall mean each April 30 and October 30, commencing April 30, 1994, so long as any Equipment Note remains outstanding.

"Interim Interest" shall have the meaning specified in Section 2.3(c) of the Participation Agreement.

"Interim Term" shall have the meaning specified in Section 5 of the Lease.

"Late Rate" shall mean (a) for such period of time as the Equipment Notes are outstanding, (i) with respect to the portion of any payment of Rent that would be required to be distributed to the holders of the Equipment Notes pursuant to the terms of the Indenture, the lesser of 2% over the Debt Rate and the maximum interest rate from time to time permitted by Applicable Law, and (ii) with respect to the portion of any payment of Rent that would be required to be distributed to Lessor pursuant to the terms of the Indenture or would be payable directly to Lessor, the Owner Participant or the Owner Trustee in its individual capacity, the lesser of 2% over the Prime Rate and the maximum interest rate from time to time permitted by Applicable Law, and (b) at any time thereafter, with respect to the portion of any payment of Rent that would be required to be distributed to Lessor pursuant to the terms of the Indenture or would be payable directly to Lessor, the Owner Participant or the Owner Trustee in its individual capacity, the lesser of 2% over the Prime Rate and the maximum interest rate from

time to time permitted under Applicable Law.

"Lease" or "Lease Agreement" or "Equipment Lease" shall mean the Lease of Railroad Equipment (CNW 1994-A) relating to the Equipment, dated as of March 1, 1994, between the Owner Trustee, in the capacities described therein, as Lessor, and the Lessee as amended, supplemented or otherwise modified from time to time. The term "Lease" shall include each Lease Supplement entered into pursuant to the terms of the Lease.

"Lease Default" or "Default" shall mean a Lease Event of Default or an event which with notice or lapse of time or both would constitute a Lease Event of Default.

"Lease Event of Default" and "Event of Default" shall mean an Event of Default under the Lease as specified in Section 14 thereof.

"Lease Supplement" shall mean a Lease Supplement (CNW 1994-A), dated a Funding Date, substantially in the form of Exhibit A to the Lease, between the Lessor and the Lessee, covering the Units purchased by the Owner Trustee on such Funding Date.

"Lease Term" shall mean, with respect to any Unit, the Interim Term applicable to such Unit, the Base Lease Term applicable to such Unit and any Renewal Term applicable to such Unit then in effect.

"Lessee" shall mean Chicago and North Western Transportation Company, a Delaware corporation, and any corporation which succeeds thereto by merger or consolidation or which acquires all or substantially all of the assets thereof in accordance with Section 6.7 of the Participation Agreement.

"Lessee Agreements" shall mean the Operative Agreements to which Lessee is a party.

"Lessee Parent" shall mean Chicago and North Western Holdings Corp., a Delaware corporation.

"Lessor" shall have the meaning specified in the recitals to the Lease.

"Lessor's Liens" shall mean any Lien affecting, on or in respect of the Equipment, the Lease or the Trust Estate arising as a result of (i) claims against or affecting Lessor (in its individual capacity or as Owner Trustee) or the Owner Participant, not related to the transactions contemplated by the Operative Agreements, or (ii) acts or omissions of the Lessor (in its individual capacity or as Owner Trustee) or the Owner Participant, not related to the transactions contemplated by the Operative Agreements, or not permitted under the Operative Agreements or in breach of any covenant or agreement of such Person set forth in any of the

Operative Agreements, or (iii) taxes imposed against the Lessor (in its individual capacity or as Owner Trustee) or the Trust Estate which are not indemnified against by the Lessee pursuant to the Participation Agreement or under the Tax Indemnity Agreement, or by the Owner Participant pursuant to the Trust Agreement or (iv) claims against the Lessor or the Owner Participant arising out of the transfer (whether voluntary or involuntary) of the Lessor (in its individual capacity or as Owner Trustee) (without the consent of the Lessee, the Indenture Trustee and the Loan Participants) of all or any portion of their respective interests in the Equipment, the Trust Estate or the Operative Agreements, other than a transfer pursuant to Section 9, 11, 15 or 19 of the Lease.

"Lien" shall mean any mortgage, pledge, security interest, lien, encumbrance, lease, exercise of rights, claim, disposition of title or other charge of any kind on property.

"Loan Participant" shall mean and include each registered holder from time to time of an Equipment Note issued under the Indenture, including, so long as it holds any Equipment Notes issued thereunder, the Pass Through Trustee under any Pass Through Trust Agreement.

"Losses" shall have the meaning specified in the Tax Indemnity Agreement.

"Majority in Interest" as of a particular date of determination shall mean with respect to any action or decision of the holders of the Equipment Notes, the holders of more than 50% in aggregate principal unpaid amount of the Equipment Notes, if any, then outstanding which are affected by such decision or action, excluding any Equipment Notes held by the Owner Participant or an Affiliate of the Owner Participant.

"Make-Whole Premium" shall mean, with respect to the principal amount of Equipment Notes to be prepaid or purchased on any prepayment date or Purchase Date, the amount, if any, by which the sum of the principal amount or portion thereof being prepaid or purchased plus the accrued but unpaid interest thereon to such prepayment date or Purchase Date shall be exceeded by the sum of the present values of all remaining scheduled payments of such principal amount or portion thereof and interest thereon (excluding interest accrued from the immediately preceding Interest Payment Date to such prepayment date or Purchase Date) to the stated maturity of such Equipment Note computed on a semiannual basis by discounting such payments in accordance with generally accepted financial practices assuming a 360-day year consisting of twelve 30-day months at a discount rate equal to Treasury Yield, all as determined by the Independent Investment Banker as of the third Business Day prior to such prepayment date or Purchase Date.

"Modification" shall have the meaning specified in Section 25.2 of the Lease.

"Net Economic Return" shall mean both the timing and magnitude of after-tax

cash flow including the pattern of earnings and the after-tax book yield expected by the original Owner Participant with respect to the Equipment, utilizing the multiple investment sinking fund method of analysis and the same assumptions as used by such Owner Participant (including the Tax Assumptions set forth in Section 2 of the Tax Indemnity Agreement) in making the original computations upon which its evaluation of its investment in the Equipment was based except as such assumptions have been adjusted for events which have been the basis for an adjustment to Rent pursuant to Section 2.7 of the Participation Agreement.

"Non-Severable Modification" shall mean any Modification that is not readily removable without causing damage to or without diminishing the value, utility or remaining useful life of the Equipment or any Unit except to an insignificant extent.

"Officer's Certificate" shall mean a certificate signed (i) in the case of a corporation by the President, any Senior Vice President, any Vice President, the Treasurer, an Assistant Treasurer, the Secretary or an Assistant Secretary of such corporation, (ii) in the case of a partnership by the Chairman of the Board, the President or any Vice President, the Treasurer or an Assistant Treasurer of a corporate general partner, and (iii) in the case of a commercial bank or trust company, the Chairman or Vice Chairman of the Executive Committee or the Treasurer, any Trust Officer, any Vice President, any Executive or Senior or Second or Assistant Vice President, or any other officer or assistant officer customarily performing the functions similar to those performed by the persons who at the time shall be such officers, or to whom any corporate trust matter is referred because of his knowledge of and familiarity with the particular subject.

"Operative Agreements" shall mean the Participation Agreement, the Trust Agreement, the Pass Through Trust Agreement, the Equipment Notes, the Lease, the Indenture, the Tax Indemnity Agreement, the Purchase Agreement Assignment and the Owner Participant Parent Guaranty.

"Other Equipment Notes" shall mean the equipment notes issued under the Trust Indenture and Security Agreement (CNW 1994-B) dated as of March 1, 1994 between the Indenture Trustee and the Owner Trustee.

"Owner Participant" shall mean General Foods Credit Corporation, a Delaware corporation, and its permitted successors and assigns.

"Owner Participant Agreements" shall mean the Operative Agreements to which the Owner Participant is or will be a party.

"Owner Participant Parent Guaranty" shall mean the Guaranty (CNW 1994-A), dated as of March 1, 1994, by the Guarantor, substantially in the form of Exhibit D to the Participation Agreement.

"Owner Trustee" shall mean Shawmut Bank Connecticut, National Association, a national banking association, not in its individual capacity but solely as Owner Trustee under the Trust Agreement and its successors thereunder.

"Owner Trustee Agreements" shall mean the Operative Agreements to which the Owner Trustee, either in its individual or trust capacity, is or will be a party.

"Participants" shall mean the Loan Participants and the Owner Participant.

"Participation Agreement" shall mean the Participation Agreement (CNW 1994-A) dated as of March 1, 1994, among the Lessee, the Participants, the Owner Trustee and the Indenture Trustee.

"Pass Through Certificates" shall mean any of the Pass Through Certificates issued pursuant to any of the Pass Through Trust Agreements.

"Pass Through Trust Agreement" shall mean the Pass Through Trust Agreement, dated as of March 1, 1994, between the Lessee and the Pass Through Trustee.

"Pass Through Trustee" shall mean Harris Trust and Savings Bank, an Illinois banking corporation, in its capacity as trustee under each Pass Through Trust Agreement, and each other person which may from time to time be acting as successor trustee under any such Pass Through Trust Agreement.

"Pass Through Trustee Agreements" shall mean the Operative Agreements to which the Pass Through Trustee is a party.

"Permitted Investments" shall mean (i) direct obligations of the United States of America and agencies thereof for which the full faith and credit of the United States is pledged, (ii) obligations fully guaranteed by the United States of America, (iii) certificates of deposit issued by, or bankers' acceptances of, or time deposits with, any bank, trust company or national banking association incorporated or doing business under the laws of the United States of America or one of the States thereof having combined capital and surplus and retained earnings of at least $500,000,000 (including the Indenture Trustee and the Owner Trustee if such conditions are met) and having a rating assigned to the long-term unsecured debt of such institutions by Standard & Poor's Corporation ("S&P") or Moody's Investors Service, Inc. ("Moody's") at least equal to AA or A2, respectively, and (iv) commercial paper of companies, banks, trust companies or national banking associations incorporated or doing business under the laws of the United States of America or one of the States thereof and in each case having a rating assigned to such commercial paper by S&P or Moody's (or, if neither such organization shall rate such commercial paper at any time, by any nationally recognized rating organization in the United States of America) equal to the highest rating assigned by such organization;

provided that if all of the above investments are unavailable, the entire amount to be invested may be used to purchase Federal Funds from an entity described in (iii) above; and provided further that no investment shall be eligible as a "Permitted Investment" unless the final maturity or date of return of such investment is equal to or less than ninety (90) days from the date of purchase thereof.

"Permitted Liens" with respect to the Equipment and each Unit thereof, shall mean: (i) the interests of the Lessee and the Owner Trustee under the Lease and the Lease Supplements; (ii) the interest of the Lessee and any sublessee as provided in any sublease permitted pursuant to Section 17.2 of the Lease; (iii) any Liens thereon for taxes, assessments, levies, fees and other governmental and similar charges not due and payable or the amount or validity of which is being contested in good faith by appropriate proceedings so long as there exists no material risk of sale, forfeiture, loss, or loss of or interference with the use or possession of any Unit or any interest therein or interference with the payment of Rent; (iv) any Liens of mechanics, suppliers, materialmen, laborers, employees, repairmen and other like Liens arising in the ordinary course of Lessee's (or if a sublease permitted pursuant to Section 17.2 of the Lease is then in effect, any sublessee's) business securing obligations which are not due and payable or the amount or validity of which is being contested so long as there exists no material risk of sale, forfeiture, loss, or loss of or interference with the use or possession of any Unit or interference with the payment of Rent; (v) the Lien and security interest granted to the Indenture Trustee under and pursuant to the Indenture, and the respective rights of the Loan Participants, the Indenture Trustee, the Owner Participant and the Owner Trustee under the Operative Agreements; (vi) Liens arising out of any judgment or award against the Lessee (or any sublessee permitted pursuant to Section 17.2 of the Lease) with respect to which an appeal or proceeding for review is being presented in good faith and for the payment of which adequate reserves have been provided as required by generally accepted accounting principles or other appropriate provisions have been made and with respect to which there shall have been secured a stay of execution pending such appeal or proceeding for review and so long as there exists no material risk of sale, forfeiture, loss or loss of or interference with the use or possession of any Unit; (vii) salvage rights of insurers under insurance policies maintained pursuant to Section 10 of the Lease; and (viii) any other Lien with respect to which the Lessee (or any sublessee permitted pursuant to Section 17.2 of the Lease) shall have provided a bond adequate in the reasonable opinion of the Owner Participant, the Owner Trustee and the Indenture Trustee.

"Person" shall mean an individual, partnership, corporation, trust, association or unincorporated organization, and a government or agency or political subdivision thereof.

"Premium Termination Date" shall mean June 28, 2007.

"Prime Rate" shall mean the rate announced from time to time by Citibank, N.A., in New York as its "base rate."

"Purchase Agreement" shall mean the Letter Agreement dated January 27, 1989, as amended and supplemented, between the Lessee and the Seller for the purchase for the Equipment.

"Purchase Agreement Assignment" shall mean the Purchase Agreement Assignment dated as of March 1, 1994 between the Lessee and the Lessor.

"Purchase Date" shall have the meaning specified in Section 4.04(b) of the Indenture.

"Remaining Weighted Average Life" shall mean, with respect to prepayment or purchase of an Equipment Note, the number of days equal to the quotient obtained by dividing (A) the sum of the products obtained by multiplying (1) the amount of each then remaining principal payment on such Equipment Note by (2) the number of days from and including the prepayment date or Purchase Date, as the case may be, to but excluding the scheduled payment date of such principal payment by the unpaid principal amount of such Equipment Note.

"Renewal Term" shall mean, with respect to any Unit, the term in respect of which the Lessee shall have exercised its option to renew the Lease for such Unit pursuant to Section 18 of the Lease.

"Renewal Term Commencement Date" shall mean October 30, 2015.

"Rent" shall mean all Basic Rent and Supplemental Rent.

"Rent Payment Date" or "Payment Date" shall mean each April 30 and October 30 of each year occurring during the Lease Term, provided that if any such date shall not be a Business Day, then "Rent Payment Date" or "Payment Date" shall mean the next succeeding Business Day.

"Required Modification" shall have the meaning specified in Section 25.1 of the Lease.

"Responsible Officer" shall mean, with respect to the subject matter of any covenant, agreement or obligation of any party contained in any Operative Agreement, the President, or any Vice President, Assistant Vice President, Treasurer, Assistant Treasurer, Secretary, Assistant Secretary and, with respect to the Owner Trustee, shall mean a duly authorized officer in its Corporate Trust Administration, or other officer, who, in each case, in the normal performance of his operational responsibility would have knowledge of such matters and the requirements with respect thereto.

"Security" shall have the same meaning as in Section 2(1) of the Securities Act

of 1933, as amended.

"Seller" shall mean General Electric Company, a New York corporation, and its successors and assigns.

"Series" shall mean the series of Equipment Notes described in Section 2.01(a) of the Indenture.

"Severable Modification" shall mean any Modification that is readily removable without causing damage to or without diminishing the value, utility or remaining useful life of the Equipment or any Unit except to an insignificant extent.

"Stipulated Loss Payment Date" shall mean the fifteenth day of each month during the Lease Term.

"Stipulated Loss Value" payable with respect to an Event of Loss for any Unit as of any date of determination shall mean the amount determined by multiplying the Equipment Cost for such Unit by the percentage set forth in Schedule 4 to the Participation Agreement opposite the Stipulated Loss Payment Date on which such Stipulated Loss Value will be paid; provided that during any Renewal Term, "Stipulated Loss Value" shall be determined as provided in Section 18(b) of the Lease. Anything contained in the Lease, the Participation Agreement or the Tax Indemnity Agreement to the contrary notwithstanding, Stipulated Loss Value for such Unit (both before and after any adjustment pursuant to Section 2.7 of the Participation Agreement or any deduction pursuant to Section 4.3 of the Lease) will, under any circumstances and in any event, be an amount which, together with any other amounts required to be paid by Lessee under the Lease in connection with such Event of Loss, will be at least sufficient to pay in full as of the date of payment thereof the aggregate amount payable with respect to such Unit pursuant to Section 2.09(a) of the Indenture.

"Subsequent Funding" shall have the meaning specified therefor in Section 2.4(c) of the Participation Agreement.

"Subsequent Funding Date" shall have the meaning specified therefor in Section 2.4(c) of the Participation Agreement.

"Subsidiary" of any Person shall mean any corporation, association, or other business entity of which more than 50% (by number of votes) of the voting stock at the time outstanding shall at the time be owned, directly or indirectly, by such Person or by any other corporation, association or trust which is itself a Subsidiary within the meaning of this definition, or collectively by such Person and any one or more such Subsidiaries.

"Supplemental Rent" shall mean all amounts, liabilities and obligations (other than

Basic Rent) which the Lessee is obligated to pay under the Operative Agreements to or on behalf of any of the other parties thereto, including, but not limited to, Termination Value, Stipulated Loss Value payments, the EBO Amount, any Make Whole Premium payable on the Equipment Notes and amounts, if any, payable under Section 2.6 of the Participation Agreement (to the extent such payment does not give rise to a rental adjustment under Section 2.7 of the Participation Agreement) by the Lessee.

"Tax Affiliate" shall mean the Lessee, a shareholder of the Lessee, or any party related to the Lessee within the meaning of Section 318 of the Code.

"Tax Indemnitee" shall have the meaning specified in Section 7.1(a) of the Participation Agreement.

"Tax Indemnity Agreement" shall mean the Tax Indemnity Agreement dated as of March 1, 1994 between the Lessee and the Owner Participant.

"Taxes" shall have the meaning specified in Section 7.1(b) of the Participation Agreement.

"Termination Date" shall have the meaning specified in Section 11.1 of the Lease.

"Termination Value" for any Unit as of any date of determination shall mean the amount determined by multiplying the Equipment Cost for such Unit by the percentage set forth in Schedule 5 to the Participation Agreement opposite the Termination Date on which such Termination Value will be paid; provided that during any Renewal Term, "Termination Value" shall be determined as provided in Section 18(b) of the Lease. Anything contained in the Lease, the Participation Agreement or the Tax Indemnity Agreement to the contrary notwithstanding, Termination Value for such Unit (both before and after any adjustment pursuant to Section 2.7 of the Participation Agreement or any deduction pursuant to Section 4.3 of the Lease) will, under any circumstances and in any event, be an amount which, together with any other amounts required to be paid by Lessee under the Lease in connection with such termination, will be at least sufficient to pay in full as of the date of payment thereof the aggregate amount payable with respect to such Unit pursuant to Section 2.09(b) of the Indenture.

"Total Equipment Cost" shall mean the sum of the Equipment Cost for each Unit.

"Transaction Costs" shall have the meaning specified in Section 2.6(a) of the Participation Agreement.

"Transferee" shall have the meaning specified in Section 6.1(a) of the Participation Agreement.

"Treasury Yield" shall mean with respect to prepayment or purchase of each Equipment Note, a per annum rate (expressed as a semiannual equivalent and as a decimal and, in the case of United States Treasury bills, converted to a bond equivalent yield), determined to be the per annum rate equal to the semiannual yield to maturity for United States Treasury securities maturing on the Average Life Date of such Equipment Note, as determined by interpolation between the most recent weekly average yields to maturity for two series of United States Treasury securities, (A) one maturing as close as possible to, but earlier than, the Average Life Date of such Equipment Note and (B) the other maturing as close as possible to, but later than, the Average Life Date of such Equipment Note, in each case as published in the most recent H.15(519) (or, if a weekly average yield to maturity for United States Treasury securities maturing on the Average Life Date of such Equipment Note is reported in the most recent H.15(519), as published in H.15(519)). H.15(519) means "Statistical Release H.15(519), Selected Interest Rates", or any successor publication, published by the Board of Governors of the Federal Reserve System. The most recent H.15(519) means the latest H.15(519) which is published prior to the close of business on the third Business Day preceding the scheduled prepayment date.

"Trust" shall have the meaning specified in each Trust Agreement.

"Trust Agreement" shall mean that certain Trust Agreement (CNW 1994-A), dated as of March 1, 1994, between the Owner Participant and the Owner Trustee, in the capacities described therein, as amended, supplemented or otherwise modified from time to time.

"Trust Estate" shall mean all the estate, right, title and interest of the Owner Trustee in, to and under the Equipment and the Operative Agreements including, without limitation, all funds advanced to the Owner Trustee by each Owner Participant, all proceeds from the sale of the Equipment Notes, all installments and other payments of Basic Rent, Supplemental Rent, insurance proceeds, Stipulated Loss Values, condemnation awards, Termination Values, the EBO Amount, purchase price, sale proceeds, and all other proceeds of any kind for or with respect to the Equipment and the Operative Agreements but excluding Excepted Property.

"Trust Indenture Act" shall mean the Trust Indenture Act of 1939, as amended.

"Trustee" shall mean each of the Owner Trustee, the Indenture Trustee or the Pass Through Trustee and "Trustees" shall mean the Owner Trustee, Indenture Trustee and the Pass Through Trustee, collectively.

"Underwriter" shall mean Merrill Lynch, Pierce Fenner & Smith Incorporated.

"Underwriting Agreement" shall mean that certain Purchase Agreement between the Lessee and Merrill Lynch, Pierce Fenner & Smith Incorporated, pertaining to the sale of the

Pass Through Certificates, as the same may be amended, modified or supplemented from time to time.

"Unit" shall mean each unit or item of Equipment.

"United States Person" shall mean any "United States person" as such term is defined in Section 7701(a)(30) of the Code and the applicable regulations thereunder.

AMORTIZATION SCHEDULE 7.52%
SERIES A EQUIPMENT NOTE ISSUED FIRST FUNDING DATE

Payment Date	Percentage of Initial Principal Balance Payable[1]
May 2 1994	
Oct 30 1994	0.00000
Apr 30 1995	0.00000
Oct 30 1995	2.23982
Apr 30 1996	0.00000
Oct 30 1996	2.41043
Apr 30 1997	0.00000
Oct 30 1997	2.58979
Apr 30 1998	0.00000
Oct 30 1998	2.77790
Apr 30 1999	0.00000
Oct 30 1999	2.99663
Apr 30 2000	0.00000
Oct 30 2000	3.21974
Apr 30 2001	0.00000
Oct 30 2001	3.46034
Apr 30 2002	0.00000
Oct 30 2002	2.93101
Apr 30 2003	0.00000
Oct 30 2003	2.54167
Apr 30 2004	4.02905
Oct 30 2004	0.00000
Apr 30 2005	5.73516
Oct 30 2005	0.00000
Apr 30 2006	7.31003
Oct 30 2006	0.00000
Apr 30 2007	7.87873
Oct 30 2007	0.00000
Apr 30 2008	8.49556
Oct 30 2008	0.00000
Apr 30 2009	9.16051
Oct 30 2009	0.00000
Apr 30 2010	0.00000
Oct 30 2010	0.00000
Apr 30 2011	0.00000
Oct 30 2011	4.59775
Apr 30 2012	0.00000
Oct 30 2012	10.23667
Apr 30 2013	0.00000
Oct 30 2013	11.03285
Apr 30 2014	0.00000
Oct 30 2014	6.35636

	100.00000

[1] The percentage should be applied to the initial principal balance of the Equipment Note after giving effect to prepayment[s], if any, to be made on any payment date.

AMORTIZATION SCHEDULE 7.52%
SERIES A EQUIPMENT NOTE ISSUED SECOND FUNDING DATE

Payment Date	Percentage of Initial Principal Balance Payable[1]
Jun 8 1994	
Oct 30 1994	0.00000
Apr 30 1995	0.00000
Oct 30 1995	2.21064
Apr 30 1996	0.00000
Oct 30 1996	2.37754
Apr 30 1997	0.00000
Oct 30 1997	2.55614
Apr 30 1998	0.00000
Oct 30 1998	2.74939
Apr 30 1999	0.00000
Oct 30 1999	2.95435
Apr 30 2000	0.00000
Oct 30 2000	3.17688
Apr 30 2001	0.00000
Oct 30 2001	3.41698
Apr 30 2002	0.00000
Oct 30 2002	3.34378
Apr 30 2003	0.00000
Oct 30 2003	2.74354
Apr 30 2004	4.29245
Oct 30 2004	0.00000
Apr 30 2005	5.75059
Oct 30 2005	0.00000
Apr 30 2006	7.32293
Oct 30 2006	0.00000
Apr 30 2007	7.89389
Oct 30 2007	0.00000
Apr 30 2008	8.51170
Oct 30 2008	0.00000
Apr 30 2009	9.17633
Oct 30 2009	0.00000
Apr 30 2010	0.00000
Oct 30 2010	0.00000
Apr 30 2011	0.00000
Oct 30 2011	0.00000
Apr 30 2012	3.41112
Oct 30 2012	0.00000
Apr 30 2013	8.67274
Oct 30 2013	6.72855
Apr 30 2014	2.84894
Oct 30 2014	9.86151
	100.00000

[1] The percentage should be applied to the initial principal balance of the Equipment Note after giving effect to prepayment[s], if any, to be made on any payment date.

AMORTIZATION SCHEDULE 7.52%
SERIES A EQUIPMENT NOTE ISSUED THIRD FUNDING DATE

Payment Date	Percentage of Initial Principal Balance Payable[1]
Jun 15 1994	
Oct 30 1994	0.00000
Apr 30 1995	0.00000
Oct 30 1995	2.20920
Apr 30 1996	0.00000
Oct 30 1996	2.37914
Apr 30 1997	0.00000
Oct 30 1997	2.55494
Apr 30 1998	0.00000
Oct 30 1998	2.74832
Apr 30 1999	0.00000
Oct 30 1999	2.95341
Apr 30 2000	0.00000
Oct 30 2000	3.17609
Apr 30 2001	0.00000
Oct 30 2001	3.41635
Apr 30 2002	0.00000
Oct 30 2002	3.34603
Apr 30 2003	0.00000
Oct 30 2003	2.74832
Apr 30 2004	4.28948
Oct 30 2004	0.00000
Apr 30 2005	5.74861
Oct 30 2005	0.00000
Apr 30 2006	7.31907
Oct 30 2006	0.00000
Apr 30 2007	7.89335
Oct 30 2007	0.00000
Apr 30 2008	8.50864
Oct 30 2008	0.00000
Apr 30 2009	9.17082
Oct 30 2009	0.00000
Apr 30 2010	0.00000
Oct 30 2010	0.00000
Apr 30 2011	0.00000
Oct 30 2011	0.00000
Apr 30 2012	3.62731
Oct 30 2012	0.00000
Apr 30 2013	8.69030
Oct 30 2013	0.00000
Apr 30 2014	9.34662
Oct 30 2014.	9.87401

	100.00000

[1] The percentage should be applied to the initial principal balance of the Equipment Note after giving effect to prepayment[s], if any, to be made on any payment date.