Arent, Fox, Kintner, Plotkin & Kahn

Washington Square 1050 Connecticut Avenue, N.W.
Washington, D.C. 20036-5339

14508-A
RECORDATION NO. Filed 1425
DEC 18 1984 1 50 AM
INTERSTATE COMMERCE COMMISSION

John D. Hushon
(202) 857-6290

4-353A025
DEC 18 1984 1 50 AM
INTERSTATE COMMERCE COMMISSION

December 18, 1984
JDH-84/462

14508
RECORDATION NO. Filed 1425
DEC 18 1984 1 50 AM
INTERSTATE COMMERCE COMMISSION

Secretary,
Interstate Commerce Commission
Washington, D.C. 20423

Dear Sirs:

I enclose for recordation in accordance with 49 U.S.C. §11303 executed and notarized copies of the following documents:

1. Two separate Security Agreements, dated as of November 15, 1984; and

2. A Lease Agreement for Railroad Cars dated as of December 17, 1984 (a copy of which is also attached to each of the Security Agreements).

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

1. Security Agreement No. 1

Grantors:

PLM Transportation Equipment Partners VI A
California Limited Partnership, and
PLM Investment Management, Inc.
655 Montgomery Street, Suite 1200
San Francisco, California 94111
Attention: James N. Dawe
Vice President and General Counsel

Secured Party:

Citicorp Industrial Credit, Inc.
Citicorp Center
One Sansome Street, 28th Floor
San Francisco, California 94104
Attn: Equipment Finance Division

Equipment Covered:

Fourteen 100-ton covered hopper railroad cars bearing car numbers TILX 512042-512055

2. Security Agreement No. 2

Grantors:

PLM Transportation Equipment Partners VIB,
California Limited Partnership, and
PLM Investment Management, Inc.
655 Montgomery Street, Suite 1200
San Francisco, California 94111
Attn: James N. Dawe
Vice President and General Counsel

Secured Party:

Citicorp Industrial Credit, Inc.
Citicorp Center
One Sansome Street, 28th Floor
San Francisco, California 94104
Attn: Equipment Finance Division

Equipment Covered:

Eleven 100-ton covered hopper railroad cars bearing car numbers TILX 512056-512066.

3. Lease Agreement for Railroad Cars

Lessor:

PLM Investment Management, Inc.
655 Montgomery Street, Suite 1200
San Francisco, California 94111

Lessee:

Trinity Industries, Inc.
P.O. Box 10587
Dallas, Texas 75207
Attn: Neil O. Shoup

Equipment Covered:

25 100 Ton covered hopper rail cars bearing car numbers TILX 512042-512066

We are advised by the various parties to this transaction that no previous filings have been made with the ICC with respect to these railroad cars, which are of new manufacture.

A filing fee of $150 is enclosed. I would appreciate your filing one counterpart of the foregoing three documents under the provisions of 49 U.S.C. §11303 and stamping the additional copy of each of the documents I have provided for return to the parties to the transaction. I would also appreciate your returning to me a stamped copy of this transmittal letter, which I have enclosed.

The undersigned certifies that he is acting as special ICC counsel in this transaction, that he reviewed the above-described documents, and that the summary description contained in this transmittal letter is accurate.

Should you have any questions concerning this matter, please do not hesitate to call me.

Sincerely yours,

John D. Hushon

Enclosures

14508

DEC 3 198[illegible]

INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT dated as of November 15, 1984, made by Capitol Bank of Commerce, a California State chartered bank (the "Bank Trustee") and Gerald G. Gomez (the "Individual Trustee"), not in their individual capacities, except as otherwise set forth, but solely as Trustee under the Trust Agreement referred to below (the Bank Trustee and the Individual Trustees herein collectively referred to as the "Trustee"), PLM TRANSPORTATION EQUIPMENT PARTNERS VIA 1984 LEVERAGED FUND, a California limited partnership ("PLM"), and PLM INVESTMENT MANAGEMENT, INC., a California corporation ("IMI") (PLM , IMI and Trustee together referred to herein as "Grantor"), to CITICORP INDUSTRIAL CREDIT, INC., a Delaware corporation ("CIC").

WHEREAS, CIC has agreed to make certain advances from time to time to PLM, provided that CIC shall have been granted the security interest contemplated by this Agreement. PLM and IMI have entered into a certain Equipment Management Agreement, pursuant to which IMI will provide to PLM certain management services relating to property beneficially owned by PLM, including but not limited to property covered by this Agreement. In rendering such management services, IMI may, from time to time, act as the agent of PLM in taking title to, and in entering into leases relating to, property beneficially owned by PLM. In view of the foregoing, IMI joins in this Agreement as Grantor.

WHEREAS, in order to effect the foregoing, PLM has entered into a Trust Agreement with Trustee (the "Trust Agreement") pursuant to which the Trustee shall hold legal title to certain property beneficially owned by PLM.

NOW, THEREFORE, in consideration of the premises and in order to induce CIC to make advances from time to time to PLM, the Grantor and CIC hereby agree as follows:

SECTION 1. Grant of Security. The Grantor hereby assigns, pledges and grants a security interest to CIC in all the Grantor's right, title and interest to the following described property:

(a) all of Grantor's right, title and interest in and to the rolling stock, tractors, over-the-road trailers, intermodal trailers, refrigerated trailers, chassis, generator sets and containers covered by the leases on Schedule I, including any additions or modifications thereto (collectively, the "Equipment");

(b) the leases and other agreements covering the Equipment which are set forth on Schedule I hereto and any and all subleases of such Equipment;

(c) all subsequent, new or renewal leases of the Equipment (with the leases on Schedule I, the "Leases");

(d) all cash, instruments and documents on deposit in the Cash Collateral Account established pursuant to the Loan Agreement (as defined below);

(e) all claims, rights and remedies which the Grantor may now or hereafter have against IMI or any other affiliate of the Grantor including, without limitation, all such rights with respect to the maintenance and storage of the Collateral;

(f) all governmental or other approvals, permits, licenses, franchise agreements, authorities or certificates required or used in connection with the ownership, operation or maintenance of the Collateral;

(g) all other personal property of the Grantor, now or hereafter acquired, including, without limitation, all accounts, cash, general intangibles, goods, instruments and securities (as such terms are defined in the California Uniform Commercial Code) and all items of equipment not subject to Leases listed on Schedule I hereto; and

(h) all additions to, substitutions for and proceeds (whether cash or non-cash proceeds) and products of all the properties described in paragraphs (a), (b), (c), (d), (e), (f) and (g) above, including, without limitation, all payments under insurance, whether or not CIC is the loss payee thereof, all proceeds of any governmental taking and any indemnity, warranty, letter of credit (including the right to draw on such letter of credit) or guaranty payable by reason of any default under, loss of, damage to, or otherwise with respect to any of the foregoing.

All of the property described in subsections (a) through (h) above is herein collectively called the "Collateral".

SECTION 2. Security for Amounts Payable. This Agreement secures the payment of all amounts payable by the Grantor in connection with the repayment of advances made from time to time by CIC, including, without limitation, the amounts payable by the Grantor under the Equipment Loan Agreement dated as of November 15, 1984, between the Grantor and CIC (the "Loan Agreement"), the Promissory Notes issued pursuant to the Loan Agreement and any note or notes issued in connection with the refunding or rollover of such notes, and all amounts, whether for fees, expenses or otherwise, of the Grantor now or hereafter payable to CIC or any of its affiliates under the Loan Agreement or any other credit or loan agreement or note, or any security agreement, including this Agreement (all such amounts payable being the "Amounts Payable").

SECTION 3. Liability under Leases. Anything herein to the contrary notwithstanding, (a) the Grantor shall remain liable under the Leases to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this

Agreement had not been executed, (b) the exercise by CIC of any of the rights hereunder shall not release the Grantor from any of its duties or obligations under the Leases and (c) CIC shall not have any obligations or liability under the Leases by reason of this Agreement, nor shall CIC be obligated to perform any of the obligations or duties of the Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

SECTION 4. Representations and Warranties. The Grantor represents, warrants and covenants to CIC as follows:

(a) The principal place of business and chief executive office of the Grantor and the office where the Grantor keeps its records and files concerning the Leases and its copies of the Leases, are located at the address specified for the Grantor in Section 17. The Grantor's executed copy of each of the Leases has been delivered to CIC and all of the Grantor's photocopies of the Leases have been stamped or otherwise marked conspicuously with the following legend:

> THIS WRITING IS NON-NEGOTIABLE. THIS WRITING AND THE OBLIGATIONS EVIDENCED HEREBY ARE OWNED BY, OR SUBJECT TO THE SECURITY INTEREST OF, CITICORP INDUSTRIAL CREDIT, INC. NO INTEREST IN THIS WRITING OR THE OBLIGATIONS EVIDENCED HEREBY MAY BE SOLD, TRANSFERRED OR ASSIGNED TO ANY OTHER PERSON WITHOUT DELIVERY OF THE EXECUTED COUNTERPART IN THE POSSESSION OF CITICORP INDUSTRIAL CREDIT, INC.

(b) The Grantor owns the Collateral free and clear of any lien, security interest, charge or encumbrance, except for (i) the security interest created by this Agreement and other security agreements executed by the Grantor solely in favor of CIC, (ii) the interests of the lessees under the Leases, (iii) rights of vendors of items of Equipment not financed by CIC on the Initial Closing Date (as defined in the Loan Agreement) holding a security interest in such items of Equipment to secure the Grantor's obligations for the purchase price thereof, provided, however, that such rights of vendors shall be terminated and released as of the Closing Date under the Loan Agreement on which CIC finances the Equipment subject to such rights, (iv) rights of lenders secured by items of equipment owned by the Grantor and not part of the Equipment and by the leases thereof, and (v) other liens expressly permitted under the Loan Agreement. The Grantor has paid or caused to be paid all invoice prices, transportation and delivery costs, taxes and any acquisition or other fees relating to the Equipment. The Grantor has all necessary authority to encumber and grant a security interest in the Collateral.

(c) Each item of Equipment the ownership of which, under applicable law, is or should be evidenced by a certificate of

title, has been properly titled in the name of the Grantor, except for an item of Equipment which shall have been so titled no later than the Closing Date on which CIC finances such item pursuant to Article II of the Loan Agreement.

(d) There is no effective financing statement or other instrument similar in effect covering all or any part of the Collateral on file in any recording office, except such as may have been filed (i) in favor of CIC, (ii) in favor of the Grantor with respect to the Leases and the Equipment subject thereto, (iii) in favor of lenders secured by items of equipment owned by the Grantor and not part of the Equipment and by the leases thereof or (iv) in favor of vendors of items of Equipment not financed by CIC on the Initial Closing Date (as defined in the Loan Agreement) holding a security interest in such items of Equipment to secure the Grantor's obligations for the purchase price thereof.

(e) All information furnished or to be furnished CIC by or on behalf of the Grantor in connection with the Collateral and the Amounts Payable is or will be complete and accurate. The Grantor shall defend and hold harmless CIC against all persons whomsoever claiming the Collateral or any part thereof.

(f) This Agreement creates a valid and perfected first priority security interest of CIC in the Collateral (subject to the security interests of others referred to in Section 4(b) above, for so long as such security interests are permitted by the provisions of this Agreement), securing the payment of the Amounts Payable, and all filings and other actions necessary to perfect and protect such security interest have been duly taken, including, without limitation, the proper notation on each certificate of title covering Equipment of the security interest of CIC and the making of all filings against the lessees under the Leases necessary to perfect the Grantor's interest in the Equipment.

(g) No consent, authorization, approval or other action by, and no notice to or filing with, any governmental authority, regulatory body, lessee or other person or entity is required either (i) for the grant by the Grantor of the security interest granted hereby or for the execution, delivery or performance of this Agreement by the Grantor or (ii) for the perfection or exercise by CIC of its rights and remedies hereunder.

(h) The Leases constitute valid and enforceable obligations of the respective lessees thereunder, enforceable against such lessees in accordance with their terms. On each Closing Date under the Loan Agreement, (i) each item of Equipment financed by CIC on such Closing Date in accordance with Article II of the Loan Agreement shall have been delivered to, and accepted by, the lessee under the respective Lease and (ii) such lessee shall have executed and delivered to the Grantor a Certificate of Inspection and Acceptance of such Equipment and shall have delivered to CIC an Estoppel Agreement in form and content satisfactory to CIC, and all

of the foregoing shall have been accomplished with respect to all items of Equipment no later than the last Closing Date under the Loan Agreement. No event of default or termination, and no event which with the giving of notice or lapse of time, or both, would constitute such an event, has occurred on the part of any party under any of the Leases. There does not exist in respect of any Lease any claim, offset, defense or other right on the part of the lessee thereunder to reduce in any manner the amounts payable under such Lease.

SECTION 5. Documentation.

(a) The Grantor shall from time to time, at the expense of the Grantor, promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that CIC may request, in order to perfect and protect the first priority security interest granted or purported to be granted hereby (subject to the security interests of others referred to in Section 4(b) above, for so long as such security interests are permitted by the provisions of this Agreement) or to enable CIC to exercise and enforce its rights and remedies hereunder with respect to any Collateral. Without limiting the generality of the foregoing, the Grantor shall: (i) promptly after the execution thereof, deliver to CIC the original execution copies of every new or renewal Lease or other agreement included in the Leases, (ii) mark conspicuously each of its copies of every new or renewal Lease or other agreement included in the Leases and each of its records pertaining thereto with the legend set forth in Section 4(a) or another legend in form and substance satisfactory to CIC, (iii) duly note the security interest of CIC on each certificate of title covering any of the Equipment and on any registration without certification of title covering any of the Equipment, (iv) file this Agreement with the Interstate Commerce Commission in order to perfect CIC's lien on the rolling stock forming part of the Collateral under the provisions of 49 U.S.C.A. § 11303 (1979) (formerly Section 20c of the Interstate Commerce Act), and (v) execute and file such financing or continuation statements, or amendments thereto, and such other instruments or notices, and make such recordings, as may be necessary or desirable, or as CIC may request, in order to perfect and preserve the security interests granted or purported to be granted hereby, including, without limitation, execution and filing of such instruments and recordings as may be necessary under federal law relating to the creation and perfection of a security interest in any of the Equipment.

(b) To the best of its ability, the Grantor shall furnish to CIC from time to time statements and schedules further identifying and describing the Collateral (including, without limitation, the locations and condition thereof) and such other reports in connection with the Collateral as CIC may reasonably request, all in reasonable detail.

SECTION 6. Equipment. The Grantor shall:

(a) Cause the Equipment to be kept in jurisdictions where all action required by Section 5 have been taken with respect to the Equipment; provided, however, that a lessee under a Lease may use or keep Equipment in such other locations as are permitted under the Lease and the Estoppel Agreement (as defined in the Loan Agreement) delivered by such lessee to CIC.

(b) Cause each lessee under the Leases to maintain and preserve the Equipment covered by its Lease strictly in accordance with the terms and provisions thereof and otherwise to perform in a timely manner all obligations of the lessee under its Lease. Without limitation of the foregoing, the Grantor shall cause the Equipment to be maintained and preserved, by the lessee or otherwise, in the same condition, repair and working order as when new, ordinary wear and tear excepted, and in accordance with any manufacturer's manual and shall forthwith, or in the case of any loss or damage to any of the Equipment as quickly as practicable after the occurrence thereof, make or cause to be made, by the lessee or otherwise, all repairs, replacements and other improvements in connection therewith which are necessary or desirable to such end. The Grantor shall promptly furnish to CIC a statement respecting any loss or damage to any of the Equipment.

(c) Pay promptly when due, or cause to be so paid in accordance with the Leases, all property and other taxes, fees, assessments and governmental charges or levies imposed upon or in respect of the Equipment or this Agreement and all claims, including claims for labor, materials and supplies, against the Equipment.

(d) Perform in a timely manner all obligations of the Grantor under the Leases.

(e) Mark each car of the rolling stock forming part of the Collateral appropriately to show the Grantor's ownership and with its assigned reporting mark and number in accordance with the rules and regulations of the American Association of Railroads, and maintain and cause such rolling stock to be always so marked while this Agreement remains in effect and not cause or allow such rolling stock to be marked so as to indicate ownership in any other party or to be renumbered without the prior written consent of CIC, nor allow such rolling stock to be marked so as to indicate a lien thereon allegedly held by any party other than CIC.

(f) At its own cost and expense, as soon as practicable cause each item of the Equipment (if not prevented by applicable law or regulations or governmental authority, and if it will not adversely affect the proper use thereof) to be legibly marked in a reasonably prominent location with such a plate, disk or other marking of customary size, and bearing such a legend, as shall be appropriate or desirable to evidence the fact that it is subject to

the lien and security interest of CIC hereunder. The Grantor shall not remove or deface, or permit to be removed or defaced, any such plate, disk, or other marking or the identifying manufacturer's serial number, and, in the event of such removal, defacement or other disappearance thereof, the Grantor shall promptly cause such plate, disk or other marking or serial number to be promptly replaced.

(g) If any rolling stock forming part of the Collateral is used in, leased in, or permitted to be used in Canada (or any province or territory thereof) or in Mexico (or in any state or Federal District thereof), take all necessary action to protect the right, title and interest of CIC in the Collateral and furnish CIC with an opinion of Canadian or Mexican counsel, as the case may be, satisfactory to CIC to the effect that the action taken by Grantor is all that is necessary to protect the right, title and interest of CIC in such Equipment.

SECTION 7. Insurance.

(a) The Grantor shall cause the lessees under the Leases to maintain insurance on the Equipment strictly in accordance with the terms and provisions of the Leases. Without limitation of the foregoing, the Grantor shall at its own expense maintain such additional insurance with respect to the Equipment in such amounts, against such risks, in such form and with such insurers as shall be requested by CIC from time to time. Each policy, whether obtained in accordance with the terms and provisions of a Lease or in accordance with this Section 7(a), shall (i) if for liability insurance, provide for all losses to be paid on behalf of CIC and the Grantor as their respective interests may appear and (ii) if for property damage insurance, provide for all losses to be paid directly to CIC. Each such policy shall in addition (i) name CIC as an insured party or loss payee thereunder, without any representation or warranty by or obligation upon CIC, as its interests may appear; (ii) contain an agreement by the insurer that any loss thereunder shall be payable to CIC notwithstanding any action, inaction or breach of representation or warranty by the Grantor or any lessee under the Leases; provided, however that in the event of a Casualty Loss (as defined in the Loan Agreement) the Grantor shall make the Mandatory Prepayment required under Section 2.05 of the Loan Agreement and shall thereafter be entitled to any insurance proceeds in respect of such Casualty Loss; (iii) provide that there shall be no recourse against CIC for payment of premiums or other amounts with respect thereto and (iv) provide that at least 30 days' prior written notice of cancellation or lapse shall be given to CIC by the insurer. The Grantor shall, if so requested by CIC, deliver to CIC original or duplicate policies of such insurance and, as often as CIC may reasonably request, a report of a reputable insurance broker with respect to such insurance. Further, the Grantor shall, at the request of CIC, duly execute and deliver confirmatory instruments of assignment of such insurance

policies to comply with the requirements of Section 5 and cause the respective insurers to acknowledge notice of such assignment.

(b) Reimbursement under any liability insurance maintained pursuant to this Section 7 may be paid directly to the person who incurred liability covered by such insurance. In case of any loss involving damage to Equipment when Section 7(c) is not applicable, the Grantor shall make or cause to be made, by the lessee or otherwise, the necessary repairs to or replacements of such Equipment, and any proceeds of insurance maintained pursuant to this Section 7 shall be paid to the Grantor, the lessee or otherwise, as the case may be, as reimbursement for the costs of such repairs or replacements.

(c) (i) Upon the occurrence and during the continuance of any event of default under any document or instrument evidencing or relating to any of the Amounts Payable, or (ii) upon the actual or constructive total loss of any Equipment, all insurance payments in respect of such Equipment shall be paid to and applied by CIC as specified in Section 13(d) except, with respect only to clause (i), insofar as the Lease covering such Equipment provides for the insurance payments to be paid to the lessee for purposes of repairing the Equipment and, with respect only to clause (ii), that the Grantor shall be entitled to retain any insurance proceeds in respect of the actual or constructive total loss of any Equipment in the amount and to the extent of the Mandatory Prepayment made by the Grantor to PLM in respect of such loss pursuant to Section 2.05 of the Loan Agreement.

SECTION 8. Leases.

(a) The Grantor shall keep its principal place of business and chief executive office and the office where it keeps its records and files concerning the Leases and its copies of the Leases at the location specified in Section 17 or, upon 30 days' prior written notice to CIC, at another location in a jurisdiction where all action required by Section 5 shall have been taken with respect to the Leases. The Grantor shall hold and preserve such records and files concerning the Leases and shall permit representatives of CIC at any time during normal business hours to inspect and make abstracts from such records and files.

(b) Except as otherwise provided in this Section 8(b), the Grantor shall continue to collect, at its own expense, all amounts due or to become due the Grantor under the Leases. In connection with such collections, the Grantor may take, and at CIC's direction shall take, such action as the Grantor or CIC may deem necessary or advisable to enforce collection of the Leases. CIC shall have the right at any time, upon written notice to the Grantor of its intention to do so, (i) to direct the lessees under the Leases to make payment of all amounts due or to become due thereunder directly to CIC and, upon such direction and at the expense of the Grantor, to enforce collection of any of the Leases

in the same manner and to the same extent as the Grantor might have done and/or (ii) to require that all amounts received by the Grantor in respect of the Leases be received in trust for the benefit of CIC hereunder and be segregated from other funds of the Grantor. Any amounts so segregated shall, at CIC's request, be forthwith paid over to CIC to be held as cash collateral and either (A) released to the Grantor after payment in full of all Amounts Payable, or (B) if any event of default shall have occurred and be continuing under any document or instrument evidencing or relating to any of the Amounts Payable, applied as provided in Section 13(d). If CIC notifies Grantor of CIC's intention to direct lessees to make Lease payments directly to CIC and/or to require Grantor to segregate and hold such payments in trust, Grantor shall enter into written agreements satisfactory to CIC to implement such intention.

(c) The Grantor shall accept no prepayment from any lessee of amounts due under any of the Leases without obtaining CIC's prior written consent.

SECTION 9. Transfers and Other Liens. The Grantor shall not:

(a) Except as expressly permitted by Section 7.02 of the Loan Agreement, sell, assign (by operation of law or otherwise), lease, charter or otherwise dispose of any of the Collateral without the prior written consent of CIC.

(b) Create or suffer to exist any lien, security interest or other charge or encumbrance upon or with respect to any of the Collateral, except for the security interests referred to in Section 4(b) above, for so long as such security interests are permitted by the provisions of this Agreement.

SECTION 10. Attorney-in-Fact. The Grantor hereby irrevocably appoints CIC the Grantor's attorney-in-fact, with full authority in the place and stead of the Grantor and in the name of the Grantor, CIC or otherwise, from time to time in CIC's discretion, to take any action and to execute any instrument which CIC may deem necessary or advisable to accomplish the purposes of this Agreement (subject to the rights of the Grantor under Section 8), including, without limitation:

(a) to obtain and adjust insurance required to be paid to CIC pursuant to Section 7;

(b) to ask, demand, collect, sue for, recover, compound, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Collateral;

(c) to receive, indorse and collect any drafts or other instruments and documents in connection with clauses (a) and (b) above;

(d) to file claims or take any action or institute any proceedings which CIC may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce the rights of CIC with respect to any of the Collateral; and

(e) to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral without the signature of the Grantor where permitted by law.

SECTION 11. CIC May Perform. If the Grantor fails to perform any agreement contained herein, CIC may itself perform, or cause performance of, such agreement, and the expenses of CIC incurred in connection therewith shall be payable by the Grantor under Section 15(b).

SECTION 12. CIC's Duties. The powers conferred on CIC hereunder are solely to protect its interest in the Collateral and shall not impose any duty upon it to exercise any such powers. Except for the safe custody of any Collateral in its possession and the accounting for moneys actually received by it hereunder, CIC shall have no duty as to any Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral.

SECTION 13. Remedies. If any Event of Default under the Loan Agreement or any event of default under any other document or instrument evidencing or relating to any of the Amounts Payable shall have occurred and be continuing:

(a) CIC may, by notice to the Grantor, declare all of the Amounts Payable to be forthwith due and payable.

(b) CIC, in lieu of or in addition to exercising any other power hereby granted, may without notice, demand or declaration of default, which are hereby waived by the Grantor, proceed by an action or actions in equity or at law for the seizure and sale of the Collateral or any part thereof, for the specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, for the foreclosure or sale of the Collateral or any part thereof under the judgment or decree of any court of competent jurisdiction, for the appointment of a receiver pending any foreclosure hereunder or the sale of the Collateral or any part thereof or for the enforcement of any other appropriate equitable or legal remedy.

(c) CIC may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party on default under the Uniform Commercial Code, whether or not the Uniform Commercial Code applies to the affected Collateral, and also may (i) require the Grantor to, and the Grantor hereby agrees that at its expense and upon request of CIC it shall forthwith,

assemble all or part of the Collateral as directed by CIC and make it available to CIC at such places reasonably convenient to both parties as CIC may designate and (ii) without notice except as specified below, sell the Collateral or any part thereof in one or more sale at public or private sale, at any of CIC's offices or elsewhere, for cash, on credit or for future delivery, and at such price or prices and upon such other terms as CIC may deem commercially reasonable. The Grantor agrees that, to the extent notice of sale shall be required by law, at least 10 days' notice to the Grantor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. CIC shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. CIC may adjourn any public or private sale from time to time by public announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to be which it was so adjourned.

(d) All cash proceeds received by CIC in respect of any sale of, collection from or other realization upon all or any part of the Collateral shall be applied as follows:

(i) First, to the payment of all costs and expenses incident to the enforcement of this Agreement, including but not limited to compensation to the agents, contractors and attorneys of CIC;

(ii) Second, to the payment of the Amounts Payable; and

(iii) Third, the remainder, if any, to the Grantor or to whomever may be lawfully entitled to receive such remainder; provided, however, that the Grantor shall remain liable to CIC for any deficiency in the Amounts Payable remaining after the application of such proceeds as provided in this Section 13(d) and, provided, further, that nothing herein contained shall in any way limit or restrict CIC's rights to proceed directly against the Grantor (and, to the extent provided in Section 14, the partners of the Grantor) without first exhausting, or in any manner exercising its rights in respect of, the Collateral.

(e) CIC shall have the right to become the purchaser at any sale made pursuant to the provisions of this Section 13 and shall have the right to credit against the amount of the bid made therefor the amount payable to CIC out of the net proceeds of such sale. Recitals contained in any conveyance to any purchaser at any sale made hereunder shall conclusively establish the truth and accuracy of the matters therein stated, including, without limitation, nonpayment of the Amounts Payable and advertisement and conduct of such sale in the manner provided herein. The Grantor does hereby ratify and confirm all legal acts that CIC may do in carrying out the provisions of this Agreement.

(f) Any sale of the Collateral or any part thereof pursuant to the provisions of this Section 13 shall operate to divest all right, title, interest, claim and demand of the Grantor in and to the property sold and shall be a perpetual bar against the Grantor. Nevertheless, if requested by CIC so to do, the Grantor shall join in the execution, acknowledgement and delivery of all proper conveyances, assignments and transfers of the property so sold. It shall not be necessary for CIC to have physically present or constructively in its possession any of the Collateral at any such sale, and the Grantor shall deliver all of the Collateral to the purchaser at such sale on the date of sale and, if it should be impossible or impracticable then to take actual delivery of the Collateral, the title and right of possession to the Collateral shall pass to the purchaser at such sale as completely as if the same had been actually present and delivered. The Grantor agrees that if the Grantor retains possession of the property or any part thereof subsequent to such sale, the Grantor shall be considered a tenant at sufferance of the purchaser and shall, if the Grantor remains in possession after demand to remove, be guilty of forceful detainer and be subject to eviction and removal, forcible or otherwise, with or without process of law, and all damages by reason thereof are hereby expressly waived by the Grantor.

(g) Subject to any requirements of applicable law, the Grantor agrees that neither the Grantor nor the General Partner of the Grantor, nor any affiliate of either of them, shall at any time have or assert any right, under any law pertaining to the marshalling of assets, the sale of property in the inverse order of alienation, the administration of estates of decedents, appraisement, valuation, stay, extension or redemption now or hereafter in force in order to prevent or hinder the rights of CIC or any purchaser of the Collateral or any part thereof under this Agreement, and the Grantor, to the extent permitted by applicable law, hereby waives the benefit of all such laws.

(h) Upon any sale made under the powers of sale herein granted and conferred, the receipt of CIC shall be sufficient discharge to the purchaser or purchasers at any sale for the purchase money, and such purchaser or purchasers and the heirs, devisees, personal representatives, successors and assigns thereof shall not, after paying such purchase money and receiving such receipt of CIC, be obliged to see to the application thereof or be in anywise answerable for any loss, misapplication or nonappplication thereof.

(i) Each and every right, power and remedy hereby granted to CIC is in addition to, and not in derogation of, any right, power and remedy granted by the Loan Agreement and the Promissory Notes issued thereunder and shall be cumulative and not exclusive, and each and every right, power and remedy whether specifically hereby granted or otherwise existing may be exercised from time to time and as often and in such order as may be deemed

expedient by CIC and the exercise of any such right, power or remedy shall not be deemed a waiver of the right to exercise, at the same time or thereafter, any other right, power or remedy. No delay or omission by CIC in the exercise of any right, power or remedy shall impair any such right, power or remedy or operate as a waiver thereof or of any other right, power or remedy then or thereafter existing. Any and all covenants in this instrument may from time to time by instrument in writing signed by CIC be waived to such extent and in such manner as CIC may desire, but no such waiver shall ever affect or impair CIC's rights hereunder, except to the extent specifically stated in such written instrument.

(j) CIC, in lieu of or in addition to exercising any other power hereby granted, may without notice, demand or declaration of default, which are hereby waived by the Grantor, proceed by an action or actions in equity or at law for the seizure and sale of the Collateral or any part thereof, for the specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, for the foreclosure or sale of the Collateral or any part thereof under the judgment or decree of any court of competent jurisdiction, for the appointment of a receiver pending any foreclosure hereunder or the sale of the Collateral or any part thereof or for the enforcement of any other appropriate equitable or legal remedy; and upon the commencement of judicial proceedings by CIC to enforce any right under this Agreement, CIC shall be entitled as a matter of right against the Grantor to such appointment of a receiver, without regard to the adequacy of the security by virtue of this Agreement or any other collateral or to the solvency of the Grantor.

(k) Notwithstanding the foregoing, CIC agrees not to interfere with a lessees's quiet enjoyment of Equipment under a Lease approved by CIC pursuant to Sections 3.01 or 7.01 of the Loan Agreement so long, but only so long, as no event of default or termination, and no event which with the giving of notice or lapse of time, or both, would constitute such an event, has occurred under such Lease.

SECTION 14. Recourse to Partners. Subject to the proviso below, CIC agrees that it will not assert, directly or indirectly, in its own name, by or on behalf of the Grantor or otherwise, any claim against any limited partner or the General Partner in the Grantor for payment or performance of any duty, liability or other obligation of the Grantor arising under this Agreement; provided, however, that CIC shall have full recourse against the General Partner of the Grantor to the extent of any distributions to partners made in violation of Section 5.02(e) of the Loan Agreement or any other payments made by the Grantor to the General Partner of the Grantor in violation of the provisions of the Loan Agreement and with respect to any claims which CIC shall make against the General Partner in the Grantor for any misrepresentation or omission made by the Grantor or the General

Partner in the Grantor in the Loan Agreement, this Agreement or any document, instrument or report delivered pursuant hereto.

SECTION 15. Indemnity and Expenses.

(a) The Grantor agrees to indemnify CIC from and against any and all claims, losses and liabilities growing out of or resulting from this Agreement (including, without limitation, enforcement of this Agreement), except claims, losses or liabilities resulting from CIC's gross negligence or willful misconduct.

(b) The Grantor shall upon demand pay to CIC the amount of any and all reasonable expenses, including the reasonable fees and disbursements of its counsel and or any experts and agents, which CIC may incur in connection with (i) the administration of this Agreement, (ii) the custody, preservation, use or operation of, sale of, collection from or other realization upon any of the Collateral, (iii) the exercise or enforcement of any of the rights of CIC hereunder or (iv) the failure by the Grantor to perform or observe any of the provisions hereof.

SECTION 16. Amendments; Etc. No amendment or waiver of any provision of this Agreement nor consent to any departure by the Grantor herefrom shall in any event be effective unless the same shall be in writing and signed by CIC, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 17. Addresses for Notices. All notices and other communications provided for hereunder shall be in writing, including telegraphic communication, and (a) if to the Bank Trustee, to it at Capitol Bank of Commerce, 300 Capitol Mall, Sacramento, California 95814, Attention: Corporate Trust Department, (b) if to the Individual Trustee, to him at the address of the Bank Trustee, (c) if to the Grantor, mailed or telegraphed or delivered to it, addressed to it at 655 Montgomery Street, Suite 1200, San Francisco, California 94111, Attention James N. Dawe, Vice President and General Counsel, and (d) if to CIC, mailed or telegraphed or delivered to it, addressed to it at Citicorp Center, One Sansome Street, 28th Floor, San Francisco, California 94104, Attention: Equipment Finance Division, or at such other address as either party may designate to the other in a written notice delivered in accordance with the terms of this Section. All such notices and other communications shall, when mailed or telegraphed, be effective when properly deposited in the mails or delivered to the telegraph company addressed as in accordance with this Section.

SECTION 18. Continuing Security Interest; Etc. This Agreement shall create a continuing security interest in the Collateral and shall (a) remain in full force and effect until payment in full of the Amounts Payable and performance in full of all of the Grantor's obligations hereunder and under any documents or instruments evidencing or relating to any of the Amounts Payable; (b) be binding upon the Grantor, its successors and

Payable; (b) be binding upon the Grantor, its successors and assigns, provided, however, that the Grantor shall not have the right to assign its rights or obligations hereunder or any interest herein without the prior written consent of CIC; and (c) inure to the benefit of CIC and its successors, transferees and assigns. Upon payment in full of the Amounts Payable and performance in full of all of the Grantor's obligations hereunder and under any documents or instruments evidencing or relating to any of the Amounts Payable, the security interest granted hereby shall terminate and all rights to the Collateral shall revert to the Grantor. Upon any such termination, CIC shall, at the Grantor's expense, execute and deliver to the Grantor such documents as the Grantor shall reasonably request to evidence such termination.

SECTION 19. Governing Law; Terms. This Agreement shall be governed by and construed in accordance with the laws of the State of California, as applied to contracts entered into by California residents and to be performed entirely within California, except to the extent that the validity or perfection of the security interest hereunder or remedies hereunder in respect of any particular Collateral are governed by the laws of a jurisdiction other than the State of California, including federal law. Unless otherwise defined herein, terms used in Division 9 of the Uniform Commercial Code in the State of California are used herein as therein defined.

SECTION 20. Severability. If any provision of this Agreement is held to be unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this Agreement shall be deemed valid and enforceable to the full extent possible.

SECTION 21. Releases. No release from the lien of this Agreement of any part of the Collateral by CIC shall in anywise alter, vary or diminish the force, effect or lien of this Agreement on the balance of the Collateral.

SECTION 22. Subrogation. This Agreement is made with full substitution and subrogation of CIC in and to all covenants and warranties by others heretofore given or made in respect of the Collateral or any part thereof.

SECTION 23. Nature of Agreement. This Agreement will be deemed to be and may be enforced from time to time as an assignment, chattel mortgage, contract, deed of trust, financing statement, or security agreement, and from time to time as any one or more thereof as is appropriate under applicable State law.

SECTION 24. Counterparts. This Agreement may be signed in any number of counterparts, and by different parties hereto in separate counterparts, with the same effect as if the signatures to

each such counterpart were upon a single instrument. All counterparts shall be deemed an original of this Agreement.

SECTION 25. Headings. The section headings used in this Agreement are intended principally for convenience and shall not, by themselves, determine the rights and obligations of the parties to this Agreement.

SECTION 26. Entire Agreement. This Agreement, the Loan Agreement, the Promissory Notes issued pursuant to the Loan Agreement and all documents or instruments to be delivered to CIC hereunder or thereunder contain all of the terms and conditions agreed upon by the parties relating to the subject matter of this Agreement and supersedes any and all prior and contemporaneous

agreements, negotiations, correspondence, understandings and communications of the parties, whether oral or written, respecting that subject matter.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written.

CAPITOL BANK OF COMMERCE

By: _____
Title: GERALD G. GOMEZ
VICE PRESIDENT
AND TRUST OFFICER

_____
Gerald G. Gomez, as the Individual Trustee

PLM TRANSPORTATION EQUIPMENT PARTNERS VIA 1984 LEVERAGED FUND

By: PLM Financial Services, Inc.,
General Partner

[CORPORATE SEAL]

By: _____
Title: Vice President

PLM INVESTMENT MANAGEMENT, INC.,

By: _____
Title: Vice President

CITICORP INDUSTRIAL CREDIT, INC.

By: _____
Title:

agreements, negotiations, correspondence, understandings and communications of the parties, whether oral or written, respecting that subject matter.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written.

CAPITOL BANK OF COMMERCE

By:_____
Title:

_____
_____, as Individual Trustee

PLM TRANSPORTATION EQUIPMENT PARTNERS VIA 1984 LEVERAGED FUND

By: PLM Financial Services, Inc., Managing General Partner

[CORPORATE SEAL]

By: _____
Title:

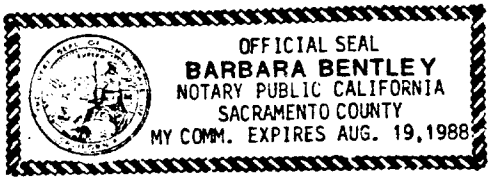
PLM INVESTMENT MANAGEMENT, INC.,

By: _____
Title:

CITICORP INDUSTRIAL CREDIT, INC.

By: _____
Title: V.P.

STATE OF California)
) ss:
COUNTY OF Sacramento)



On the 14 day of December, 1984, before me personally came Gerald G. Gomez, residing at Sacramento, Calif., to me known, who, being by me duly sworn, did depose and say that he is one of the parties described in and executing the foregoing document.

Signature: Barbara Bentley

My Commission Expires: 8-19-88

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN FRANCISCO)

On the 14 day of Dec., 1984, before me personally came James D. Dawe, to me known, who, being by me duly sworn, did depose and say that he is Vice Pres of PLM Financial Services, Inc., one of the corporations described in and executing the foregoing document; that he knows the corporate seal of said corporation; that the seal affixed to said document is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that he signed his name thereto by like authority.

Signature: Kathleen Daniels

My Commission Expires:

OFFICIAL SEAL
KATHLEEN DANIELS
NOTARY PUBLIC - CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO
My Commission Expires March 25, 1988

STATE OF CALIFORNIA)
) ss:
COUNTY OF Sacramento)

OFFICIAL SEAL
BARBARA BENTLEY
NOTARY PUBLIC CALIFORNIA
SACRAMENTO COUNTY
MY COMM. EXPIRES AUG. 19,1988

On the 14 day of December, 1984, before me personally came Gerald D. Gomez, to me known, who, being by me duly sworn, did depose and say that he is Vice President & T.O. of Capitol Bank of Commerce, one of the corporations described in and executing the foregoing document; that he knows the corporate seal of said corporation; that the seal affixed to said document is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that he signed his name thereto by like authority.

Signature: Barbara Bentley

My Commission Expires: 8-19-88

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN FRANCISCO)

On the 14 day of Dec., 1984, before me personally came James N. Dawe to me known, who, being by me duly sworn, did depose and say that he is Vice Pres. of PLM Investment Management, Inc., one of the corporations described in and executing the foregoing document; that he knows the corporate seal of said corporation; that the seal affixed to said document is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that he signed his name thereto by like authority.

Signature: Kathleen Daniels

My Commission Expires:

OFFICIAL SEAL
KATHLEEN DANIELS
NOTARY PUBLIC - CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO
My Commission Expires March 2[illegible]

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN FRANCISCO)

On the ____ day of _____, 1984, before me personally came _____, to me known, who, being by me duly sworn, did depose and say that he is a Vice President of Citicorp Industrial Credit Inc., one of the corporations described in and executing the foregoing document; and that he signed his name thereto by like authority.

Signature: _____

My Commission Expires: _____

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN FRANCISCO)

On the ____ day of _____, 1984, before me personally came _____, to me known, who, being by me duly sworn, did depose and say that he is _____ of PLM Investment Management, Inc., one of the corporations described in and executing the foregoing document; that he knows the corporate seal of said corporation; that the seal affixed to said document is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that he signed his name thereto by like authority.

Signature: _____

My Commission Expires: _____

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN FRANCISCO)

On the 13th day of December, 1984, before me personally came Brian J. Whalen, to me known, who, being by me duly sworn, did depose and say that he is a Vice President of Citicorp Industrial Credit Inc., one of the corporations described in and executing the foregoing document; and that he signed his name thereto by like authority.

ROBERTA F. WESLEY
NOTARY PUBLIC-CALIFORNIA
CITY & COUNTY OF
SAN FRANCISCO
My Commission Expires Nov. 22, 1985

Signature: Roberta F. Wesley

My Commission Expires: 11/22/85

PLM VIA

Schedule 1

Fourteen 100 Ton covered hopper railroad cars bearing car numbers TILX 512042-512055

A Lease Agreement for Railroad Cars dated as of December 17, 1984 among PLM Investment Management, Inc. and Trinity Industries, Inc.

LEASE AGREEMENT FOR RAILROAD CARS

This Lease Agreement dated as of the 17th day of December, 1984 (the "Agreement"), by and between PLM Investment Management, Inc. ("IMI"), a California corporation and Trinity Industries, Inc., a Texas corporation ("Lessee").

IDENTITY OF LESSOR

IMI is entering into this Agreement for its own account and/or as agent for, and to the extent of, the principals who may own the railroad cars which are to be leased hereunder to Lessee and which cars are described more particularly in the attached Exhibit A (such railroad cars being hereinafter collectively referred to as the "cars" and separately as a "car"). The principals, if any, will, as of the date the cars are delivered hereunder, have entered into management agreements (the "management agreements") with IMI, which authorize IMI to enter into leases on their behalf. (A copy of the form of such management agreements will be made available to Lessee upon request.) IMI and such principals are collectively referred to as "Lessor." Lessor shall, from time to time, provide Lessee with the name of the principals, if any, who own the cars. Once IMI has identified the principals who own the cars to Lessee, IMI shall be released from any obligation under this lease except as agent for such principals.

Accordingly, it is agreed as follows:

Article 1: Lease

Lessor shall furnish and lease to Lessee, and Lessee shall accept, and use, the cars on the terms and conditions set forth herein and in the exhibits attached hereto.

Article 2: Term

The term of this Agreement with respect to each car shall commence upon the delivery of such car to Lessee in the manner set forth in Article 3 and, except as otherwise provided herein, shall terminate on the earlier of the date Lessor is notified of the loss or destruction of such car or, with respect to all cars leased hereunder, at the end of the number of years set forth in Exhibit B from the first day of the calendar month immediately following the month in which the first of the cars leased hereunder is delivered to Lessee; provided, however, that without limiting any other rights Lessor may have against Lessee, if Lessee is responsible for such loss or destruction of a car under Section 9.4, this Agreement with respect to such car shall continue until Lessee pays to Lessor the replacement value of such car as determined immediately prior to such loss or destruction. Notwithstanding the expiration or termination of this Agreement, the obligations of the Lessee hereunder shall continue in effect with respect to each car until each such car is returned to the possession of Lessor in accordance with Article 14 or settlement is made for such car in accordance with Section 9.4.

Article 3: Delivery

3.1 Date of Delivery

Lessor shall deliver or cause the cars to be delivered to Lessee during the anticipated delivery period set forth in Exhibit B. The obligation of Lessor to deliver the cars

in total or in part, shall be excused, and Lessor shall not be liable, for any causes beyond the reasonable control of Lessor (including, but not limited to, delays caused by fire, labor difficulties, delays of carriers and materialmen, governmental authority, or late delivery by the manufacturer of the cars) and, in the event of a delay in such delivery, Lessor shall deliver the cars to Lessee as soon as reasonably possible thereafter.

3.2 Place of Delivery

Lessor shall cause the cars to be delivered to Lessee at the location(s) set forth in Exhibit B.

3.3 Cost of Delivery

Lessee shall reimburse Lessor for all transportation charges related to the delivery of the cars to the location(s) set forth in Exhibit B.

Article 4: Acceptance of Cars

Lessee may elect not less than fifteen (15) days prior to the delivery of the first car hereunder to inspect each car to determine if it (i) complies with the description set forth in Exhibit A and (ii) is fit and suitable for operation as those terms are defined in the Field Manual and the Office Manual of the Interchange Rules (the "Interchange Rules") adopted by the Association of American Railroads ("AAR"). Upon such inspection, Lessee shall, if such car complies with the requirements of the preceding sentence, deliver to Lessor a Certificate of Acceptance in the form attached as Exhibit C. Lessee shall not reject delivery of any car delivered hereunder if, with respect to such car, Lessee shall (i) load, or otherwise use the car, or (ii) fail to notify Lessor, immediately upon delivery, of Lessee's rejection of the car and the specific reasons why the car does not meet the applicable standards set forth in Exhibit A or the Interchange Rules. If Lessee rejects any car, Lessor shall have the right to have the rejected car inspected at Lessee's expense by an inspector acceptable to both Lessor and Lessee. Lessee shall be deemed to have accepted any car for which the inspector determines good cause for rejection did not exist. The decision of the inspector shall be final and binding upon the parties. Lessee's acceptance, however effected, shall be deemed effective as of, and the monthly rental shall accrue from, the date a car is delivered to Lessee.

Article 5: Markings

At the time of delivery of the cars by Lessor to Lessee, the cars will be plainly marked on each side with the identification marks of Lessee. If such markings shall at any time be removed or become illegible, wholly or in part, Lessee shall immediately cause such markings to be restored or replaced at Lessee's expense. Lessee shall not otherwise place, nor permit to be placed, any lettering or marking of any kind upon the cars without notifying Lessor. Upon expiration of the term hereof, Lessee, at its expense, shall cause the cars to be restencilled with identification marks selected by Lessor.

Article 6: Payment of Rentals

6.1 Monthly Rentals

The monthly rental with respect to each car shall be as set forth in Exhibit B, and, subject to Article 2, shall accrue from (and including) the date Lessee's acceptance of

such car is deemed effective to (and excluding) the date such car is redelivered in accordance with Article 14. The rental shall be payable to Lessor at the address set forth in Exhibit B, in advance, on or before the first day of each month during the term hereof; provided, however, that the rental for each car for the month in which it is delivered shall be prorated for the number of days (including the day of delivery) remaining in such month and shall be payable on or before the first day of the next succeeding calendar month. The amount by which rental payments for any month shall exceed the pro rata rental due for the cars leased to Lessee during such month shall be credited against the rental due pursuant to the rental invoice submitted to Lessee during the following month, or if all the cars have been redelivered by Lessee in accordance with Article 14 as of the end of such month and any amount due to Lessee exceeds any amount due from Lessee the following month, such excess shall be paid to Lessee during such following month.

6.2 Additional Usage Rental

Within a reasonable period of time after the end of each calendar year of the term hereof, and upon termination of this Agreement, Lessor shall, on the basis of mileage reported by railroads, determine the total number of miles that each car traveled during the calendar year or the portion thereof just ended, loaded and empty. If it is determined that any car traveled more than forty thousand (40,000) miles during such period or a pro rata portion thereof for a period of usage of less than twelve (12) full calendar months, Lessee, upon notice by Lessor, shall pay to Lessor, within fifteen (15) days of receipt of such notice, as additional rent for such car for such period, an amount equal to two cents ($0.02) multiplied by the number of miles in excess of the product of (i) 40,000 and (ii) the number of days during such year for which rent accrued divided by 365.

Article 7: Mileage Allowance and Indemnification

Collection

Any per diem or mileage allowances, rentals and/or other compensation payable by railroads by reason of the use of the cars (hereinafter referred to as "allowances") shall be collected by Lessee or such person as Lessee may designate. Any allowances paid to Lessor shall be paid to Lessee within a reasonable time following the month of car movement.

To the extent that Lessee shall be entitled to such allowances and to the extent such allowances shall be received by Lessor, Lessor shall do so as the agent (solely for that purpose) of Lessee.

Article 8: Title and Usage

8.1 Title to the Cars

Lessee acknowledges and agrees that by the execution of this Agreement it does not obtain, and by payments and performance hereunder, it does not, and will not, have or obtain any title to the cars or any property right or interest therein, legal or equitable, except solely as Lessee hereunder and subject to all of the terms hereof. Lessee shall keep the cars free from any liens or encumbrances created by or through Lessee.

8.2 Usage of the Cars

Lessee will use the cars for the purpose set forth in Exhibit A and will not use the cars for any other purpose without the written approval of Lessor. Lessee agrees not to load any of the cars in excess of the load limit stencilled thereon or the limit, if any, set forth in Exhibit A; and, except with respect to the repair of cars, Lessee shall not 1) cut or weld any part of car or cars without the prior written consent of Lessor, or, if the cars are equipped with unloading gates, 2) apply heat to the gates to open them, or for any other purpose.

8.3 Tax Indemnity

Lessee hereby acknowledges that IMI (or the principal(s) for whom IMI acts as agent) have claimed or will claim with respect to the cars the investment tax credit allowable pursuant to Section 38 of the Internal Revenue Code of 1954, as amended (the "Code"), for "Section 38 property" as defined in Section 48(b) of the Code and the deduction under the Accelerated Cost Recovery System on the cars under the Code based upon the recovery method (collectively, the "Tax Benefits"). Lessee shall not permit the cars to be used by any organization described in Section 48(a)(4) of the Code or by a governmental unit described in Section 48(a)(5) of the Code. Lessee further acknowledges that the Tax Benefits with respect to the cars would not be allowable in the taxable year claimed, or the Tax Benefits previously claimed with respect to the cars would be recaptured, if the cars were to be used predominantly outside the United States within the meaning of Section 48(a)(2)(A) of the Code and therefore agrees to use each car so that the Tax Benefits as permitted by the Code (or any amendment thereof or successor legislation) may be claimed with respect to each car (and not be recaptured or disallowed), but in no event to use each car outside the boundaries of the continental United States unless permitted by Exhibit A, and if so permitted, for no more than the period allowable as set forth in Exhibit A.

Lessee shall be required to pay to Lessor (each principal, for this purpose, being treated as a separate Lessor) an amount which, after deduction of all taxes required to be paid by such Lessor in respect of all amounts payable by Lessee to Lessor hereunder, under the laws of any federal, state, or local government or taxing authority, shall be equal to all or such portion of the Tax Benefits disallowed or recaptured by or from Lessor as a direct or indirect result of Lessee's violation of this Section.

8.4 Lessee's Right to Transfer or Assign

Lessee shall not transfer or assign the cars or its interest and obligations hereunder, nor shall a transfer or assignment by operation of law or otherwise of Lessee's interest in the cars or this Agreement be effective against Lessor, without Lessor's prior written consent, which consent shall not be unreasonably withheld; provided, however, that notwithstanding the foregoing, Lessee shall have the right to sublet any or all of the cars to such sublessees as Lessee may deem appropriate, and no consent of Lessor thereto shall be necessary, provided that no sublessee shall be permitted to use any of the cars outside the United States so as to cause the loss or recapture of the Investment Tax Credit for the cars for United States federal income tax purposes, nor shall any sublessee be an organization described in Section 48(a)(4) of the Internal Revenue Code (subject to the exceptions contained therein) or a governmental unit described in Section 48(a)(5) of the Internal Revenue Code unless Lessee agrees, in writing, to indemnify Lessor for any such loss of tax benefits in a form reasonably satisfactory to Lessor. No transfer or assignment of this Agreement, or of the cars, shall relieve Lessee from any of its

obligations to Lessor hereunder. Any sublease permitted under this Section 8.4 shall include an acknowledgement of the interest of Lessor's mortgagee (if any) in the cars.

8.5 Use of Cars on Certain Roads Under AAR Circular OT-5 Series

Upon the written request of Lessee (which request shall name the railroads involved) Lessor shall use reasonable efforts to obtain from each named railroad with respect to the cars Authority to Place Privately Owned Freight Cars (other than tanks) in service under the Provisions of AAR Circular OT-5 Series as promulgated by the AAR and all supplements thereto and reissues thereof (such authority hereinafter called the "consent(s)"). Lessee shall furnish to Lessor such information as is necessary to apply for and obtain such consents. Lessor, however, shall not be liable for failure to obtain such consents for any reason whatsoever and this Agreement shall remain in full force and effect notwithstanding any such failure.

8.6 Insurance

(a) Lessee shall at its expense purchase and maintain in force, during the continuance of this Lease, a policy or policies of insurance with an insurance company or companies satisfactory to Lessor, insuring Lessee and Lessee's affiliate, Lessor, and Lessor's assignee or mortgagee, if any, as their respective interests may appear as follows: (1) Bodily Injury Legal Liability ($300,000 per person, $1,000,000 per occurrence); (2) Property Damage Legal Liability ($1,000,000 per occurrence); (3) all risk physical damage insurance covering the cars, with a deductible per occurrence of $5,000 or as may otherwise be agreed between the parties.

(b) Promptly after execution of this Lease, the Lessee will furnish the Lessor with certificates of insurance evidencing the aforesaid insurance coverages. Insurance shall be suitably endorsed, naming Lessor and Lessor's mortgagee as additional insureds and loss payees, and requiring the Insurer to give Lessor's mortgagee not less than thirty (30) days prior written notice of any intended cancellation of such coverages, or any part thereof. Such insurance shall further provide that the proceeds of any policy shall be payable to Lessor or Lessor's mortgagee or assignee, if any, notwithstanding any breach of warranty by Lessee. In the event any of the cars shall not be adequately covered by such insurance at any time during the term of this Lease, or should Lessor be given notice of an intended cancellation of such insurance, Lessor shall have the right, at its option (1) to cover the cars with the above-described types of insurance and to recover from the Lessee at the time the next monthly rental payment is due, the premiums expended by Lessor for such insurance, or (2) Lessor may proceed as provided in Article 13 in this Lease. Lessee shall fully cooperate with Lessor to (i) prepare and file proofs of loss, and (ii) endorse any check, draft or other order for the payment of money issued by an insurance company with respect to any of the coverages described in this section.

Article 9: Maintenance and Repairs

9.1 Maintenance Responsibility

Except as otherwise provided in this Agreement, Lessor shall, at its expense, perform or arrange and pay for the performance of maintenance and repair services on the cars (exclusive of any special interior linings and the items, if any, set forth in Item V of Exhibit A) made necessary by normal wear and tear, and necessary to keep the cars in good condition and repair according to the Interchange Rules. Lessee shall, at its expense, maintain any special interior linings and the items, if any, set forth in Item V of Exhibit A, in good condition and repair.

9.2 Repairs to Cars Unfit for Service

Lessee shall promptly notify Lessor if a car becomes unfit for service for any reason other than the loss or destruction of such car and Lessee, at its expense, shall promptly deliver the cars to an AAR-approved shop; and Lessor, if responsible for such repairs, shall have a reasonable period of time to repair and return such car to service or replace such car with another like railroad car.

9.2.1 Lessor Responsibility

If this Agreement places responsibility for such repairs on Lessor, rental charges for such car or cars shall abate from the date of arrival of car at specified repair facility, and until it is repaired and Lessee is notified such car is ready for shipment from such repair facility.

9.2.2 Lessee Responsibility

If this Agreement does not place responsibility for such repairs on Lessor, Lessee shall pay for the cost of such repairs. If Lessor is notified that a car needs repair and Lessor believes that this Agreement does not place responsibility for such repairs on Lessor, Lessor shall notify Lessee that such car needs repair and that such repair shall be at Lessee's expense. If Lessee does not advise Lessor within three (3) business days of receipt of notification by Lessor that it intends to inspect such car, Lessee shall pay for such repairs on demand. If Lessee indicates its intention to inspect such car, it shall have five (5) business days during which it may, at its expense, have such car inspected by an inspector acceptable to both Lessor and Lessee. The decision of the inspector as to responsibility for repairs shall be final and binding on both parties.

9.2.3 Railroad Responsibility

If Section 9.4 places responsibility on the railroad subscribing to the Interchange Rules for damage, rental charges for such car or cars shall abate from and after a period of five (5) days from the date Lessor receives notification that such car needs repair and until it is repaired and forwarded from the repair facility.

9.3 Alterations

Lessee shall not alter the physical structure of any of the cars without the prior written consent of Lessor.

9.4 Responsibility for Lost, Destroyed or Damaged Car

Lessee shall be responsible for and shall indemnify Lessor and hold Lessor harmless and does hereby release Lessor from (as provided in Article 10) the loss or destruction of, or damage to, the cars or any parts thereof, during the term; provided, however, Lessee shall not be responsible to the extent the then-prevailing Interchange Rules places responsibility upon a railroad subscribing to the Interchange Rules; and provided, further, that Lessee shall not be responsible if such loss, destruction or damage to the cars or parts thereof was caused by the sole active negligence or willful misconduct of Lessor.

Notwithstanding anything contained herein to the contrary, Lessee shall be responsible for and shall indemnify Lessor and hold Lessor harmless and does hereby release Lessor from (as provided in Article 10) the loss or destruction of, or damage to, a car or any part thereof during the term of this Agreement which shall (i) be occasioned by the misuse or negligence of Lessee, its consignee, agent or sublessee, (ii) occur while such car is on the tracks of Lessee or any private siding or track, or at the loading or

unloading facility of Lessee or its consignee, agent or sublessee, or on the track of any railroad that does not subscribe to the Interchange Rules or any private or industrial railroad or (iii) be caused by any commodity which may be transported or stored in or on such car.

Lessee shall notify Lessor of the loss or destruction of any of the cars within two (2) days of the date of such event. The amount of loss resulting from the loss or destruction of a car shall be measured by its replacement value as determined immediately prior to the time of such loss or destruction whatsoever, even though the same may have resulted from Lessor's concurrent negligence with Lessee or any third party, whether active or passive. In all cases to which this indemnity applies, Lessee's obligation shall be to indemnify Lessor for the full amount of the Claims involved, and principles of comparative negligence shall not apply.

Article 10: Indemnification by Lessee

10.1 Damages, Losses and Injuries Due to Operation of the Cars

Lessee shall defend (if such defense is tendered to Lessee), indemnify and hold Lessor harmless from and against and does hereby release Lessor from, all claims, suits, liabilities, losses, damages, costs and expenses, including attorney's fees, (collectively referred to as "Claims") in any way arising out of or resulting from the condition, storage, use, loss of use, maintenance, operation of the cars, ~~or any other cause~~.

If Section 9.4 places the responsibility for loss, destruction or damage to the car on Lessor, Lessee shall retain its obligation to indemnify Lessor for all Claims, but shall have no obligation to indemnify Lessor for the loss, damage or destruction of the car.

Lessor and Lessee shall cooperate with and assist each other in any reasonable manner requested, but without affecting their respective obligations under this Article 10 or Article 9, to establish proper claims against parties responsible for the loss or destruction of, or damage to, the cars.

10.2 Losses to and Damages Caused by Commodities

Lessor shall not be liable for any loss of, or damage to, commodities, or any part thereof, loaded or shipped in the cars, however such loss or damages shall be caused, or shall result, and Lessee shall be responsible for, indemnify Lessor against and hold Lessor harmless and does hereby release Lessor from Claims therefor. In the event any of the cars or parts thereof, including all interior lading protective devices, special interior linings and items, if any, set forth in Item V of Exhibit A, and removable parts, if any, shall become damaged by any commodity loaded therein, Lessee shall be responsible for such damage, and shall indemnify Lessor against and hold Lessor harmless from, any such Claims therefor according to the same terms of indemnification set forth in Section 10.1.

10.3 Loss of Use of Car

Notwithstanding any provision contained herein to the contrary, Lessor shall not be liable to Lessee for Claims which result from the loss of the use of the car for any reason whatsoever.

Article 11: Taxes and Other Charges

11.1 Lessee Responsibility

Except as otherwise hereinafter provided, Lessee shall pay and indemnify and hold Lessor harmless from all

(a) taxes including, without limitation, any taxes (withholding or otherwise), including personal property taxes imposed by the United States, Canada or Mexico, or any state or province thereof or any governmental or administrative subdivision thereof, and any sales and/or use taxes, gross receipts, franchise and single business taxes, and

(b) license fees, assessments, charges, fines, levies, imposts, duties, tariffs, customs, switching, and demurrage,

including penalties and interest thereon, levied or imposed by any foreign, federal, state or local government or taxing authority, railroad or other agency upon or with respect to the cars, or Lessor in connection with the cars or this lease.

11.2 Lessor Responsibility

Notwithstanding Section 11.1, Lessee shall not be responsible for and Lessor shall pay any tax imposed by the United States or any state or governmental subdivision thereof which is measured solely by Lessor's net income, unless such tax is in substitution for or releases Lessee from the payment of any taxes for which Lessee would otherwise be obligated under Section 11.1.

Article 12: Assignment, Transfers, Encumbrances

All rights of Lessor hereunder may be assigned, pledged, mortgaged, transferred or otherwise disposed of, either in whole or in part, and/or Lessor may assign, pledge, mortgage, transfer or otherwise dispose of title to the cars, with or without notice to Lessee. In such event, this Agreement and all rights of Lessee hereunder or those of any person, firm or corporation who claims or who may hereafter claim any rights in this Agreement under or through Lessee, are hereby made subject and subordinate to the terms, covenants and conditions of any chattel mortgage, conditional sale agreement, equipment trust agreement or other agreements or assignments covering the cars heretofore or hereafter created and entered into by Lessor, its successors or assigns, and to all of the rights of any such chattel mortgagee, assignee, trustee or other holder of legal title to or security interest in the cars; provided, however, that so long as Lessee is not in default hereunder Lessee shall be entitled to use the cars in accordance with the terms and conditions hereof. Any sublease or assignment of the cars permitted by this Agreement that is entered into by Lessee or its successors or assigns shall contain language which expressly makes such assignment or sublease subject to the subordination contained herein. At the request of Lessor or any chattel mortgagee, assignee, trustee, or other holder of the legal title to or security interest in the cars, Lessee at Lessor's expense shall letter or mark the cars to identify the legal owner of the cars and, if applicable, place on each side of each car, in letters not less than one inch in height, the words "Ownership Subject to a Security Agreement Filed with the Interstate Commerce Commission" or other appropriate words reasonably requested. Lessee hereby agrees to execute an Estoppel Agreement in substantially the form attached hereto as Exhibit E.

Any transfer or assignment of, or grant of a security interest in, this Agreement or any interest herein shall be subject to any such transfer, assignment or grant of a security interest set forth in any previous filing with the Interstate Commerce Commission ("ICC").

Article 13: Default by Lessee

If Lessee defaults in the payment of any sum of money to be paid under this Agreement and such default continues for a period of three (3) days after notice to Lessee of such default; or if Lessee fails to perform any covenant or condition required to be performed by Lessee which failure shall not be remedied within ten (10) days after notice thereof from Lessor to Lessee; or if Lessee shall dissolve, make or commit any act of bankruptcy, or if any proceeding under any bankruptcy, or insolvency statute or any laws relating to relief of debtors is commenced by Lessee, or if any such proceeding is commenced against Lessee and same shall not have been removed within thirty (30) days of the date of the filing thereof, or if a receiver, trustee or liquidator is appointed for Lessee or for all or a substantial part of Lessee's assets with Lessee's consent, or if without Lessee's consent the same shall not have been removed within thirty (30) days of the date of the appointment thereof; or if an order, judgment or decree be entered by a court of competent jurisdiction and continue unpaid and in effect for any period of thirty (30) consecutive days without a stay of execution; or if a writ of attachment or execution is levied on any car and is not discharged within ten (10) days thereafter, Lessor may exercise one or more of the following remedies with respect to the cars:

(a) Immediately terminate this Agreement and Lessee's rights hereunder;

(b) Require Lessee to return the cars to Lessor at Lessee's expense, and if Lessee fails to so comply, Lessor may take possession of such car without demand or notice and without court order or legal process;

(c) Lease the cars to such persons, at such rental and for such period of time as Lessor shall elect. Lessor shall apply the proceeds from such leasing less all cost and expenses incurred in the recovery, repair, storage and renting of such cars, toward the payment of Lessee's obligations hereunder. Lessee shall remain liable for any deficiency, which, at Lessor's option, shall be paid monthly, as suffered, or immediately, or at the end of the term as damages for Lessee's default;

(d) Bring legal action to recover all rent or other amounts then accrued or thereafter accruing from Lessee to Lessor under any provision hereunder; or

(e) Pursue any other remedy which Lessor may have.

Each remedy is cumulative and may be enforced separately or concurrently. If Lessee fails to perform any of its obligations hereunder, Lessor, at Lessee's expense, and without waiving any rights it may have against Lessee for such nonperformance, may itself render such performance. Further, Lessee shall reimburse Lessor for all costs and expenses including reasonable attorney's fees expended by Lessor in the enforcement of its rights and remedies hereunder, and Lessee shall pay interest on any amount owing to Lessor from the time such amount becomes due hereunder at a rate per annum equal to the reference rate of the Bank of America NT&SA, such rate to be reduced, however, to the extent it exceeds the maximum rate permitted by applicable law. In addition, Lessee shall, without expense to Lessor, assist Lessor in repossessing the cars and shall, for a reasonable time if required, furnish suitable trackage space for the storage of the cars.

If applicable, Lessor shall be entitled to the remedies of a lessor under Section 1168 of the U.S. Bankruptcy Code.

Article 14: Delivery at End of Term

Lessee shall not redeliver the cars prior to the end of the term without the prior consent of Lessor. Further, Lessee shall not load any car leased hereunder during the final fifteen (15) days of the term. At the end of the term, Lessee, at its expense, shall deliver each car to Lessor, or to a subsequent lessee, at the point designated by Lessor (but not to exceed 500 miles from the location of the cars), empty, free from residue, and in the same good order and clean condition as it was delivered by Lessor to Lessee, ordinary wear and tear and repairs that Lessor is required to make pursuant to Article 9 excepted. Lessee shall, on demand, reimburse Lessor for the expense of cleaning any car that contains residue or such other cost which may be incurred to place a car in the condition described above. If the cars leased hereunder are tank cars, Lessee shall hold Lessor and its affiliates harmless and indemnify it or them for bodily injury, death, or property damage arising out of any misidentification, for whatever reason, by Lessee or any agent or representative of Lessee, the last contents of any car leased hereunder.

If any car is not redelivered to Lessor or not delivered to a subsequent lessee on or before the date on which the term ends or in the event that a car so delivered is not in the condition required by this Article 14, Lessee shall pay rental for each day that each car is not delivered as required herein or until each car is delivered in the condition required, at the prorated monthly rental rate set forth in Exhibit B. Lessee shall pay to Lessor on or before the last day of each month the amount Lessee is obligated to pay to Lessor for such month under this Article 14. In addition to any other indemnity provided herein and any payments to be made to Lessor hereunder, Lessee shall also indemnify and hold Lessor harmless from and against all Claims whatsoever, including those asserted by a subsequent lessee, arising out of, or as a result of, such late delivery or failure to deliver in the condition required.

Article 15: Warranties and Representations

LESSOR MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, AS TO THE CONDITION, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE OR ANY OTHER MATTER CONCERNING THE CARS. LESSEE HEREBY WAIVES ANY CLAIM IT MIGHT HAVE AGAINST LESSOR FOR ANY CLAIMS CAUSED BY THE CARS OR BY ANY DEFECT THEREIN. During the term of this Agreement and so long as Lessee renders faithful performance of its obligations, Lessor hereby assigns any factory or dealer warranty, whether express or implied, or other legal right Lessor may have against the manufacturer in connection with defects in the cars covered by this Agreement.

Article 16: Status of Lessee

Lessee represents and warrants that, as of the date of this Agreement:

(a) Lessee is a corporation duly incorporated, validly existing and in good standing under the laws of the state of its incorporation and is either duly qualified to do business and is in good standing in such other jurisdictions in which the business and activities of Lessee require such qualification or its failure to so qualify in such other jurisdiction will not have a material adverse impact on this Agreement.

(b) Lessee has full corporate power to enter into this Agreement.

(c) The Agreement had been duly authorized, executed and delivered by Lessee, and constitutes a valid, legal and binding agreement, enforceable in accordance with its terms.

(d) No approval is required by Lessee from any governmental or public body or authority with respect to the entering into or performance of this Agreement.

(e) The entering into and performance of this Agreement will not conflict with, or result in a breach of, the terms, conditions or provisions of (i) any law, or any regulation, order, injunction, permit, franchise or decree of any court or governmental instrumentality and (ii) any indenture, agreement or other instrument to which Lessee is party or by which it or any of its property is bound.

(f) Lessee is neither an organization described in Section 48(a)(4) nor a governmental unit described in Section 48(a)(5) of the Internal Revenue Code of 1954, as amended.

Article 17: Right of Inspection

Lessor or its assignee shall have the right, at any reasonable time, and without interfering with Lessee's operations, to inspect the cars, by its authorized representative, wherever they may be located, for the purpose of determining compliance by Lessee with its obligations hereunder. Lessee shall use its best effort to obtain permission, if necessary, for Lessor or its authorized representative to enter upon any premises where the cars may be located.

Article 18: Reports and Notices

18.1 Car Movement

Annually, in writing, Lessee shall report to Lessor the mileage of the cars.

18.2 Notification of Damage or Injury

Lessee shall notify Lessor, within a reasonable period of time, of any accident or malfunction in connection with the operation of the cars, including in such report the time, place and nature of the accident, the damage caused to any property, the names and addresses of persons injured and of witnesses, and other such information as may be pertinent to Lessor's investigation of such accident.

18.3 Notification of Liens

Lessee shall notify Lessor within three (3) days after any attachment, lien (including any tax and mechanics' liens), or other judicial process attaches to the cars.

18.4 Report of Location

Within five (5) days after receipt of written demand from Lessor, Lessee shall give Lessor notice of the location of the cars to the best of its ability.

18.5 Addressing of Notices

All notices required or permitted hereunder shall be in writing and shall be deemed delivered upon actual receipt. Such notices shall be delivered to the respective parties hereto by personal delivery thereof or by telegram, telex, telecopier or deposit in the United States mail as certified or registered matter, return receipt requested, postage prepaid, and addressed to the respective parties as set forth in Exhibit B, unless otherwise advised in writing.

Article 19: Compliance With Laws

Lessee shall comply with all governmental laws, rules, regulations, requirements and the Interchange Rules (collectively referred to as the "Rules") with respect to the use and operation of the cars, and if the cars have any interior lading protective devices, special interior linings and items, if any, set forth on Exhibit A, or removable parts, the maintenance of such devices, linings or parts. Except as set forth in the preceding sentence, Lessor shall comply with the Rules with respect to its obligation to maintain the cars under Article 9. Lessor shall further comply with the Rules in the event such Rules require a change or replacement of any equipment or appliance on the cars or in case any additional or other equipment or appliance is required to be installed on the cars (collectively referred to as "Alterations"). If such Alterations are required, Lessor shall have a reasonable period of time to make such Alterations and return such car to Lessee or replace such car with a substituted railroad car of the same type, capacity and condition. Lessee, at its expense, shall deliver the cars to such shop or shops and at such time or times as Lessor shall designate for the purpose of making any Alterations. Rental charges for such car or cars shall abate from and after a period of ten (10) days from the date when such car is so delivered by Lessee to Lessor until it is returned to service or replaced with another railroad car of the same type, capacity and condition. If a car is either altered or substituted in accordance with this Article 19, the rental rate for such a car for each month after such a car is altered or substituted with another railroad car of the same or substantially similar type, capacity and condition shall be determined in accordance with Exhibit B.

Article 20: Administration of Agreement

The parties hereto recognize and acknowledge that IMI may be acting under management agreements as agent for certain principals which shall be identified to Lessee by IMI from time to time. Such principals shall, from time to time, be set forth in Exhibit D to this Agreement. IMI at any time, and from time to time, shall have the right to add principals (and amend or supplement Exhibit D to include such principals) and upon so doing shall notify Lessee; provided, however, that notwithstanding the date of such notification, such principal(s) shall be deemed a Lessor hereunder effective as of the date the cars owned by such principal and managed by IMI are delivered to Lessee. Any amended or supplemented Exhibit D shall, from time to time, be delivered to Lessee. Lessee agrees to cooperate with IMI and any principal for the purpose of complying with any reasonable requirements of any lender, the ICC or the provisions of Article 9 of the Uniform Commercial Code provided such cooperation does not materially affect the rights or liabilities of Lessee hereunder. Except as otherwise provided in Article 12, this Agreement shall be administered by IMI or such other third person or entity as IMI may from time to time identify; provided, however, that any such assignment to such third person or entity shall not be effective against Lessee until Lessee is so notified of such assignment.

Article 21: Miscellaneous

21.1 Entire Agreement

This Agreement, together with any and all exhibits attached hereto, constitutes the entire agreement between Lessor and Lessee and it shall not be amended, altered, varied or changed except by written agreement signed by the parties hereto. This Agreement is intended to cover all rights to indemnity between the parties hereto. No waiver of any provision of this Agreement nor consent to any departure by Lessee therefrom shall be effective unless the same shall be in writing signed by both parties, and then such waiver of consent shall be effective only in the specific instance and for the purpose for which given.

21.2 Governing Law

This Agreement shall be interpreted under and performance shall be governed by the laws of the State of Texas.

21.3 Conflict with Interchange Rules

This Agreement shall govern in the event the Interchange Rules conflict with any provision of this Agreement.

21.4 Severability

If any term or provision of this Agreement or the application thereof shall, to any extent, be invalid or unenforceable, such invalidity or unenforceability shall not affect or render invalid or unenforceable any other provision of this Agreement, and this Agreement shall be valid and enforced to the fullest extent permitted by law.

21.5 Headings

The headings that have been used to designate the various Sections and Articles hereof are solely for convenience in reading and ease of reference and shall not be construed in any event or manner as interpretative or limiting the interpretation of the same.

21.6 Survival

All indemnities contained in this Agreement shall survive the termination hereof. In addition, the obligation to pay any deficiency as well as the obligation for any and all other payments by Lessee to Lessor hereunder shall survive the termination of this Agreement.

(This space intentionally left blank.)

21.7 Assignment of Rights

Except as otherwise provided in Section 8.4 and Article 12, this Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed and delivered as of the date first above written.

PLM INVESTMENT MANAGEMENT, INC.

DATE: 12/14/84 By _____

TRINITY INDUSTRIES, INC.

DATE: _____ By _____

IMI-066

21.7 Assignment of Rights

Except as otherwise provided in Section 8.4 and Article 12, this Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed and delivered as of the date first above written.

PLM INVESTMENT MANAGEMENT, INC.

DATE: _____ By _____

TRINITY INDUSTRIES, INC.

DATE: December 17, 1984 By J Dean Phelps

IMI-066

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN FRANCISCO)

On this 14 day of December, 1984, before me, the undersigned Notary Public in and for said County and State, personally appeared James N. Dawe, known to me to be the Vice Pres. of PLM Investment Management, Inc., the corporation that executed the within instrument, and acknowledged to me that he executed the same on behalf of said corporation.

Notary Public

STATE OF _____)
) ss.
COUNTY OF _____)

On this _____ day of December, 1984, before me, the undersigned Notary Public in and for said County and State, personally appeared _____, known to me to be the _____ of Trinity Industries, Inc., the corporation that executed the within instrument, and acknowledged to me that he executed the same on behalf of said corporation.

Notary Public

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN FRANCISCO)

On this _____ day of December, 1984, before me, the undersigned Notary Public in and for said County and State, personally appeared _____, known to me to be the _____ of PLM Investment Management, Inc., the corporation that executed the within instrument, and acknowledged to me that he executed the same on behalf of said corporation.

_____
Notary Public

STATE OF Texas)
) ss.
COUNTY OF Dallas)

On this 19th day of December, 1984, before me, the undersigned Notary Public in and for said County and State, personally appeared T. Dean Phelps Jr., known to me to be the Vice President of Trinity Industries, Inc., the corporation that executed the within instrument, and acknowledged to me that he executed the same on behalf of said corporation.

Dorothy Gallion
Notary Public

EXHIBIT A

NUMBER AND DESCRIPTION OF CARS

I. NUMBER OF CARS:

Twenty-five (25)

II. DESCRIPTION OF CARS:

100 ton, 4,750 cu. ft. covered hopper cars

III. THE CARS MAY BE USED ONLY FOR THE TRANSPORTATION OF THE FOLLOWING TYPES OF COMMODITIES:

Grains and all bulk commodities, except salt and corrosive materials.

IV. USE OF CARS OUTSIDE BOUNDARIES OF CONTINENTAL UNITED STATES:

Not to exceed 49% of any calendar year.

V. SPECIAL ITEMS:

Trough hatches and gravity gates

VI. CAR NUMBERS:

TILX 512042 through TILX 512066

EXHIBIT B

DELIVERY; RENTAL RATE; TERM

I. ANTICIPATED DELIVERY PERIOD:

December, 1984

II. PLACE OF DELIVERY:

Oklahoma City, Oklahoma

III. RENTAL RATE:

$440 per car per month

IV. TERM:

Five (5) years

V. ADDRESSING OF NOTICES:

Lessee to Lessor	Lessor to Lessee
PLM Investment Management, Inc. 655 Montgomery Street Suite 1200 San Francisco, California 94111	Trinity Industries, Inc. P.O. Box 10587 Dallas, Texas 75207 Attn: Neil O. Shoup

EXHIBIT C

CERTIFICATE OF ACCEPTANCE OF RAILROAD CAR

This Certificate relates to the railroad cars listed below leased by PLM Investment Management Inc., to Trinity Industries, Inc. under a Lease Agreement for Railroad Cars dated December 17, 1984 (the "Lease") into which this Certificate is incorporated (by Article 4 thereof).

Railroad Car Numbers

Twenty-five (25) 4750 cubic foot, 100 ton, covered hopper rialroad cars manufactured by Trinity Industries, Inc. Running Marks TILX512042 thru TILX512066 inclusive.

Lessee hereby certifies its acceptance of the railroad cars.

Lessee hereby certifies that the representations and warranties of Lessee contained in the Lease are true and correct on the date hereof.

Executed: December 17, 1984

TRINITY INDUSTRIES, INC.
"Lessee"

By J. Dean Phelps

(Title): Vice President

EXHIBIT D

NAME OF PRINCIPAL	CAR NUMBERS OF CARS OWNED BY PRINCIPAL
PLM Transportation Equipment Partners VIA 1984 Leveraged Fund	TILX 512042 through TILX 512055
PLM Transportation Equipment Partners VIB 1984 Leveraged Fund	TILX 512056 through TILX 512066