

BLC Corporation
A subsidiary of
Citicorp

989 East Hillsdale Blvd. 415/573-1200
Suite 300 Fax
Foster City, CA 415/573-5669
94404-2401

010802016



19648

1995

October 3, 1995

Interstate Commerce Commission
12th & Constitution Ave., N.W., Room 2311
Washington, D.C. 20423
Attn: Document Recorder

LICENSING DIVISION
OCT 11 10 10 AM '95

To Whom it May Concern:

Pursuant to the provisions of Title 49, United States Code, Section 11303, please find enclosed one fully executed original and two certified copies of a Master Leasing Agreement, dated as of July 15, 1995, between BLC Corporation and IES Utilities Inc.

In connection with the recording of the above mentioned Agreement, please note the following information:

- (i) Name and address of Lessor: BLC Corporation, 989 East Hillsdale Blvd., Suite 300, Foster City, California 94404
- (ii) Name and address of Lessee: IES Utilities Inc., 200 First Street SE, Cedar Rapids, Iowa 52401
- (iii) General description of Equipment covered by the Master Leasing Agreement: 125 HTS 117 ton aluminum body-steel underframe mechanized rapid discharge IV coal cars with 4,416 cubic feet capacity (Nos. IESX 1001-1125)
- (v) Previous filings with the Interstate Commerce Commission covering the Equipment:

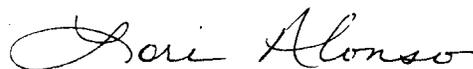
Document:	Recording Date:	Recording Number:
None	None	None

Enclosed is a check in the amount of \$21.00 to record the enclosed Agreement. When the recording of this document has been completed, please endorse, with the relevant recording information, the enclosed copies provided herewith and return them to my attention.

October 3, 1995
Page 2

If you require further information to complete this filing, please feel free to contact me at (800) 227-6516 extension 257. Thank you for your assistance in this matter.

Sincerely,



Lori Alonso
Manager, Contract Services
and Legal Assistant

Enclosures

cc: Curt A. Schultz



Interstate Commerce Commission
Washington, D.C. 20423-0001

10/4/95

Office Of The Secretary

LORIS ALONSO
CITICORP BANKERS LEASING
989 E. HILLSDALE # 300
FOSTER CITY, CA., 94404

Dear Madam:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 10/4/95 at 10:50AM, and assigned recordation number(s) 19648.

Sincerely yours,

Vernon A. Williams
Secretary

Enclosure(s)

(0100802016)

\$ ~~21.00~~ The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature

19648

CERTIFICATE

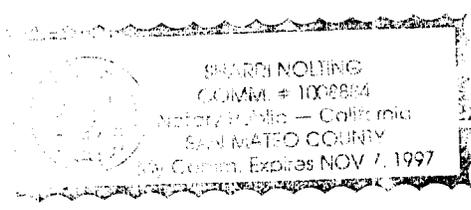
I, Curt A. Schultz, Secretary of BLC Corporation, hereby certify that the attached is a true and correct copy of the Master Leasing Agreement, dated as of July 15, 1995, between BLC Corporation, as Lessor, and IES Utilities Inc., as Lessee.

By *Curt A. Schultz*
Curt A. Schultz
Secretary

Date: October 3, 1995

Subscribed and sworn to before
me this 3rd day of October, 1995

Sharon Notting
Notary Public



19648

1995 09 26 AM

9/26/95

MASTER LEASING AGREEMENT

Dated as of July 15, 1995

Between

BLC Corporation,

as Lessor

and

IES Utilities Inc.,

as Lessee

2/L/IESINDUS.MLA/092695

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MASTER LEASING AGREEMENT

Master Leasing Agreement, dated as of July 15, 1995, by and between BLC Corporation of Foster City, California (herein called "Lessor") and IES Utilities Inc. (herein called "Lessee").

In consideration of the mutual covenants hereinafter contained, Lessor and Lessee agree as follows:

1. Definitions. As herein used:

(a) "Acquisition Cost" of Equipment is an amount equal to the sum of (i) the vendor's delivered price, dealer's delivery and handling charges, the cost of any original equipment which may be added, excise tax on the Equipment, any sales and use taxes, expenses of installation and freight, and other expenses required to effect delivery of the Equipment to Lessee, less purchase discounts obtained, plus (ii) any Interim Rent which shall be capitalized pursuant to the provisions of Subsection 21(e) hereof, plus (iii) any closing fee which shall be capitalized pursuant to the provisions of Section 25 hereof.

(b) The "Aggregate Amortization" of any Equipment is an amount equal to the sum total of the Monthly Amortization Figures for each of the months for which Rent for the Equipment has been paid.

(c) The "Base Amount" means, as to any Equipment sold one (1) year from the last day of the month in which its lease term commences, the Acquisition Cost of such Equipment, and as to any Equipment sold more than one (1) year after the last day of the month in which its lease term commences, the Unamortized Value of such Equipment at the termination of its lease term.

(d) "Basic Term" shall mean as to any item of Equipment the amortization period for such Equipment, selected by Lessee and approved by Lessor, as stated in the applicable Individual Leasing Record. Lessee shall select amortization periods based on the following table:

<u>Type of Equipment</u>	<u>No. of Months</u>
Equipment listed in Subsection 1(f)	60

All other Equipment shall have a Basic Term as approved by Lessor.

In determining the Basic Term of Equipment, the anticipated useful life of such Equipment as it will be used by Lessee shall be considered, and upon request, Lessee will furnish Lessor with information with respect thereto.

The Basic Term set forth above is subject to final evaluation of the Railroad Equipment by Lessor. This period is indicative and subject to review based on such final evaluation.

(e) (1) "Contingent Rent" shall mean the amount by which the proceeds of sale of any unit of Equipment pursuant to Section 10 of this Master Leasing Agreement are less than they would have been because of abuse, damage, extraordinary wear and tear or excessive usage or because the Equipment has not been maintained in accordance with the provisions of Sections 6

and 7 hereof. In the event Lessor and Lessee cannot agree on the amount of Contingent Rent due, if any, they shall utilize the appraisal procedure provided for in Section 10, with the consequences set forth therein.

(2) If the sale proceeds of any unit of Equipment transmitted to Lessor are less than the Unguaranteed Residual, Lessee shall, in addition, be obligated to pay, and shall pay to Lessor, the amount (if any) of Contingent Rent with respect to such Equipment as is then determined in accordance with Subsection 1(e)(1), provided, however, that the amount of any Contingent Rent will not be greater than the amount by which the Unguaranteed Residual exceeds such proceeds of sale.

(f) "Equipment" means new aluminum coal cars and any related equipment attached to such coal cars as agreed upon by Lessor and Lessee as further described in Schedule A hereto (the "Railroad Equipment") owned or to be owned by Lessor and leased by Lessor to Lessee pursuant to an Individual Leasing Record or ordered by Lessor for lease to Lessee as provided herein.

(g) "Extended Term" shall have the meaning specified in Subsection 17(b) hereof.

(h) "Individual Leasing Record" is a record with respect to Equipment dated the date of the acceptance of the Equipment by Lessee and setting forth a full description of the Equipment, its Acquisition Cost, the location and such other details as the parties may desire. As between Lessor and Lessee the signature of Lessee on an Individual Leasing Record shall constitute acknowledgement by Lessee that the Equipment has been delivered in good condition and accepted for lease by Lessee as of the date of the Individual Leasing Record. The Individual Leasing Record shall contain a short form of lease to be executed by each of the parties reading substantially as follows:

"The undersigned Lessor hereby leases to the undersigned Lessee, and Lessee acknowledges delivery to it in good condition of, the Equipment described above. The covenants, terms and conditions of this lease are those appearing in a Master Leasing Agreement between the undersigned Lessor and Lessee dated July 15, 1995, which covenants, terms and conditions are hereby incorporated by reference."

(i) "Interim Rent" for any Equipment acquired during any partial first month during the term of the lease of such Equipment shall be determined in the manner that Rent is determined under Subsection 1(k) hereof, but based on the product of:

- (1) the Acquisition Cost of the Equipment, multiplied by
- (2) a fraction having a numerator equal to the number of days remaining in such partial month and a denominator of 360, multiplied by
- (3) the applicable percentage provided in Subsection 1(k)(3).

(j) "Monthly Amortization Figure" for any Equipment for each full month during the Basic Term or any of the first three (3) Extended Terms for such Equipment is an amount equal to the applicable percentage of Acquisition Cost for such Equipment set forth in Schedule A hereto.

Monthly amortization shall be taken as of the close of business of the last day of each full month of the lease of the Equipment until the Unamortized Value of the Equipment has reached zero.

(k) "Rent" for any Equipment for any full month during the term of the lease of such Equipment will be the sum of the Monthly Amortization Figure for such Equipment, plus Contingent Rent for such Equipment (if any), plus an amount computed by multiplying the following:

(1) the Unamortized Value of such Equipment on the first day of such month, by

(2) a fraction having a numerator equal to the number of days in such month and a denominator of 360, by

(3) a percentage (the "Percentage Rental Factor") equal to the sum of 0.95% per annum plus the rate per annum obtained by dividing (i) the rate per annum at which deposits in U.S. dollars are offered by Citibank, N.A. to prime banks in the London Interbank Market for a period equal to one month, as quoted at 11:00 a.m. (London time) two Business Days (as such term is defined in Section 5 hereof) prior to the first day of the current month, by (ii) a percentage equal to 100% minus the Reserve Percentage for such one-month period.

(l) "Reserve Percentage" shall mean the reserve percentage applicable during such month under regulations issued from time to time by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement (including, without limitation, any emergency, supplemental or other marginal reserve requirement) for a member bank of the Federal Reserve System in New York City that Citibank, N.A. is required to maintain with respect to liabilities or assets consisting of or including Eurocurrency liabilities, having a term equal to one (1) month.

(m) "ICC" shall mean the Uniform Commercial Code including the provisions of the Uniform Personal Property Leasing Act as adopted in the applicable state.

(n) "Unamortized Value" of Equipment is the Acquisition Cost of the Equipment less its Aggregate Amortization.

(o) "Unguaranteed Residual" shall mean 13% of the Base Amount for any unit of Equipment.

2. Agreement for Lease of Equipment. (a) Subject to the terms and conditions of this Master Leasing Agreement and upon execution and delivery by the Lessor and the Lessee of an Individual Leasing Record evidencing the mutual agreement of the parties hereto with respect to the lease of specific units of Equipment, Lessor shall lease to Lessee such units of Equipment as set forth in such Individual Leasing Record. No Individual Leasing Record shall be effective and Lessor shall have no obligation to lease any particular unit of equipment hereunder unless and until such applicable Individual Leasing Record is executed by Lessor and in no event shall the Lessee execute and deliver to Lessor an Individual Leasing Record which, if executed and funded by Lessor, would result in the aggregate Acquisition Cost of Equipment leased by Lessor to Lessee hereunder exceeding \$8,500,000. Lessor and Lessee hereby declare that this Master

Leasing Agreement is, and is intended to be, an agreement to lease, and that every Individual Leasing Record executed by the parties pursuant to this Master Leasing Agreement is a lease. Lessor has or will have title to and will be the owner of the Equipment to be leased, and Lessee does not hereby acquire any right, equity, title or interest in the Equipment, except the right, as Lessee, to use the same under the terms hereof. If this Master Leasing Agreement is deemed at any time to be one intended as security, Lessee agrees that the Equipment shall secure all amounts owed by Lessee to Lessor as set forth herein. The parties further agree to treat this Master Leasing Agreement and any Individual Leasing Record executed pursuant to this Master Leasing Agreement as a lease for accounting and commercial law purposes and as a financing arrangement for tax purposes.

(b) Lessor hereby covenants that, as long as Lessee is not in default hereunder, Lessee shall be entitled to the uninterrupted use and quiet enjoyment of the Equipment on the terms and conditions herein provided. Lessor shall be responsible to Lessee for all damages suffered by Lessee which arise directly and solely from Lessor's breach of this covenant.

3. Delivery. Lessor shall not be liable to Lessee for any failure or delay in obtaining Equipment or making delivery thereof. Upon delivery of Equipment to Lessee and receipt by Lessor of vendor's invoice approved by Lessee together with an Individual Leasing Record with respect to the Equipment, mutually acceptable to Lessee and Lessor, duly executed by Lessee and, if requested by Lessor, appropriate title papers for such Equipment, Lessor shall, subject to the provisions of this Master Leasing Agreement, execute such Individual Leasing Record and remit to the vendor or, at the request of Lessee, shall remit directly to the Lessee a check for the total of the vendor's invoice for such Equipment, provided that the total amount paid by Lessor shall not exceed the Acquisition Cost of the Equipment. If the amount paid to the vendor by Lessor is less than the Acquisition Cost of the Equipment, to the extent that delivery costs or cost of additions to the Equipment have been met by Lessee, and do not exceed the Acquisition Cost, Lessor shall reimburse Lessee for such payment made by Lessee up to the amount of the Acquisition Cost.

4. Lease Term. The lease hereunder of Equipment shall be effective from the date of the Individual Leasing Record. The lease term for each unit of Equipment shall be for a period beginning with the effective date thereof and ending one (1) year after the last day of the month in which the effective date of the lease occurs. At the end of such one (1) year period and thereafter, the lease term shall be extended from month to month until terminated, as provided in Sections 10, 11, 14, 15, 16 or 17 hereof. Notwithstanding the foregoing, at least the provisions of Section 9 and the first sentence of Section 11 of this Master Leasing Agreement shall apply as between Lessor and Lessee with respect to any Equipment from the time the Equipment is ordered by Lessor pursuant to a request from Lessee. Upon expiration of the third Extended Term for each item of Equipment, unless Lessee shall have purchased such Equipment pursuant to Subsection 17(a), further extended the lease term of such Equipment pursuant to the mutual agreement of Lessor and Lessee or sold such Equipment to an unrelated third party pursuant to Section 10, it shall be assumed that Lessee elected to purchase such Equipment pursuant to Subsection 17(a) hereof.

5. Rent. Lessee shall pay Rent and Interim Rent monthly in arrears on the 25th day of the current month. If Lessor shall not receive payment of Rent or Interim Rent when due hereunder, Lessee shall pay a late payment charge to Lessor on such late payment at a rate equal to the Percentage Rental Factor (as provided in Subsection 1(k)(3)) plus 3% per annum (but in no event shall such rate be greater than that rate permitted by applicable law) for the period during

which such late payment remains due and unpaid. Invoices from Lessor shall be rendered within a reasonable period of time after the Rent and Interim Rent can be determined but in all cases the Lessor shall use reasonable efforts to render the invoice no later than the tenth (10th) Business Day of each month. If any monthly invoice is not rendered by Lessor on or before the twentieth (20th) calendar day of such month, Lessee shall only be obligated to pay late payment charges to Lessor beginning on the date which is five (5) calendar days after the date on which such invoice is actually rendered by Lessor and continuing for the period during which such late payment remains due and unpaid. Such invoices shall cover the computation of Rent and Interim Rent and other payments due hereunder for the month, adjustments to the preceding month's Rent and Interim Rent resulting from commencement or termination of the lease of any Equipment during such month and other appropriate items, if any. All payments of Rent and Interim Rent and all other payments made by Lessee to Lessor pursuant to this Master Leasing Agreement shall be paid to Lessor in lawful money of the United States in immediately available funds by wire transfer to Lessor's Account No. 3846-9701 at Citibank, N.A., 399 Park Avenue, New York, New York 10043. If the date for the payment or determination of Rent and Interim Rent shall not occur on a day when banks in New York, New York are generally open for business (a "Business Day"), such payment shall be due and such determination shall be made on the immediately succeeding Business Day.

6. Use of Equipment. (a) Lessor and Lessee hereby acknowledge and agree that the Equipment leased hereunder shall at all times be the sole and exclusive property of Lessor, and Lessee shall have no right, title or property therein but only the right to use the same as Lessee as herein provided. So long as Lessee is not in default in any obligation to Lessor, Lessee may use the Equipment in the regular course of its business or the business of any subsidiary or affiliate of Lessee and may permit others to use same for any lawful purpose. Such use shall be confined to the United States except that occasional use of the Railroad Equipment by the Lessee in Canada shall be permitted. Lessee shall obtain Lessor's prior written consent, which consent shall not be unreasonably withheld, prior to the use of the Railroad Equipment in Canada on a long term basis. Lessee shall promptly and duly execute, deliver, file and record all such documents, statements, filings and registrations, and take such further action as Lessor shall from time to time reasonably request in order to establish, perfect and maintain Lessor's title to and interest in the Equipment as against Lessee or any third party. Lessee shall provide Lessor with prior notice in writing of any change in the principal location of any unit of Equipment, of any change in the primary business address of Lessee in any particular jurisdiction or of any change in the legal name or business structure of the Lessee. Notwithstanding the foregoing, no such changes shall be undertaken unless and until all legal requirements shall have been met or obtained. Upon the Lessor's request, Lessee shall advise Lessor in writing where all Equipment leased hereunder as of such date is principally located. Lessee shall not, without the prior written consent of Lessor, use the Railroad Equipment for any purpose other than transporting coal, coal by-products and petroleum coke provided, however that Lessee shall not load petroleum coke or allow petroleum coke to be loaded into the Railroad Equipment until such petroleum coke has cooled and Lessee shall not use any Equipment or allow the same to be used for any unlawful purpose and shall not use or allow the Railroad Equipment to be used for the transportation of any other corrosive or toxic materials. Lessee shall use every reasonable precaution to prevent loss or damage to Equipment and to prevent injury to third persons or property of third persons. Lessee shall cooperate fully with Lessor and all insurance companies providing insurance under Section 8 hereof in the investigation and defense of any claims and suits. Lessee shall comply and shall cause all persons operating Equipment to comply with all insurance policy conditions and with all statutes, decrees, ordinances and regulations regarding acquiring, titling, registering, leasing, insuring, using, operating, and disposing of Equipment, including all local, state and federal

environmental laws and regulations of whatever kind which relate in any way to the use of the Equipment, and the licensing of operators thereof. Lessor or any authorized representative of Lessor may during reasonable business hours from time to time inspect Equipment wherever the same be located. Lessee upon written request from Lessor, or if necessary or advisable under applicable law, shall attach to each unit of Equipment in a place designated by Lessor (or if no such place has been designated, in a prominent place), a sign, stencil, plaque, or legend disclosing the ownership of Lessor and the interest of any mortgagee or assignee in the Equipment.

(b) LESSEE SHALL NOT WITHOUT PRIOR WRITTEN CONSENT OF LESSOR SUBLEASE ANY EQUIPMENT NOR PERMIT, OR SUFFER TO EXIST, ANY LIEN OR ENCUMBRANCE OTHER THAN THOSE PLACED THEREON BY LESSOR OR BY PERSONS CLAIMING ONLY AGAINST LESSOR AND NOT AGAINST LESSEE, NOR SHALL LESSEE ASSIGN ANY RIGHT OR INTEREST HEREIN OR IN ANY EQUIPMENT, PROVIDED, HOWEVER, THAT LESSEE MAY SUBLET EQUIPMENT TO ANY SUBSIDIARY, AFFILIATE, OFFICER OR EMPLOYEE OF LESSEE, OR TO ANY CONTRACTOR FOR USE IN PERFORMING WORK FOR LESSEE OR LESSEE MAY SUBLEASE TO OTHERS IF THE TERM OF SUCH SUBLEASE IS SIX (6) MONTHS OR LESS AND EACH SUCH SUBLEASE IS MADE SUBJECT TO ALL OF THE TERMS AND PROVISIONS OF THIS MASTER LEASING AGREEMENT, PROVIDED THAT ANY SUCH SUBLETTING SHALL IN NO WAY AFFECT THE OBLIGATIONS OF LESSEE HEREUNDER, OR THE RIGHTS OF LESSOR HEREUNDER. THE RIGHTS OF THE LESSEE TO ASSIGN ITS INTEREST AS LESSEE HEREUNDER, AS DESCRIBED IN SECTION 303 OF THE LEASING ARTICLE OF THE UCC, ARE HEREBY WAIVED BY LESSEE, EXCEPT AS EXPRESSLY PROVIDED IN THIS SUBSECTION 6(b).

(c) The Lessee agrees to comply with all governmental laws, regulations, requirements and rules (including, without limitation, the rules of the United States Department of Transportation, the Interstate Commerce Commission (the "ICC"), the Federal Railroad Administration (the "ERA") and, to the extent applicable, the current Interchange Rules or supplements thereto of the Mechanical Division, Association of American Railroads (the "AAR") as the same may be in effect from time to time (the "Interchange Rules") with respect to the use and maintenance of each unit of Railroad Equipment subject to this Master Leasing Agreement. Lessee agrees to maintain and keep the Railroad Equipment in condition suitable for use in interchange in accordance with the Interchange Rules. In case any Railroad Equipment or appliance is required to be altered, added, replaced or modified on any Railroad Equipment in order to comply with such laws, regulations, requirements and rules, the Lessee agrees to make such alterations, additions, replacements and/or modifications at its own expense and title thereto shall be immediately vested in the Lessor; provided, however, that (i) Lessee may, in good faith and by appropriate legal proceedings, contest the validity or application of any such law, regulation, requirement or rule in any reasonable manner which does not in the reasonable opinion of the Lessor adversely affect the property rights, or interests of the Lessor in the Railroad Equipment hereunder and (ii) Lessor agrees to use its reasonable efforts to provide financing to the Lessee to reimburse Lessee for any costs and expenses related to such alteration.

7. Improvements and Repair of Equipment. Lessee shall pay all costs, expenses, fees and charges incurred in connection with the use and operation of Equipment during the lease thereof. Lessee shall at all times, at its own expense, keep Equipment in good condition and repair, and in good and efficient working order, reasonable wear and tear only excepted, consistent with prudent industry practice (but in any event to the same extent that the Lessee would, in the prudent management of its properties, maintain similar equipment if owned or leased

by the Lessee), and in compliance with all applicable laws, ordinances and regulations, the conditions of all insurance policies required to be maintained by the Lessee pursuant to this Master Leasing Agreement, including, but not limited to, with respect to Railroad Equipment, applicable AAR and FRA codes. This provision shall apply regardless of the cause of damage and all risks with respect thereto are assumed by Lessee. At its own expense, Lessee shall make all additions, modifications and improvements to each unit of Equipment required by applicable law, ordinance or regulation. The Lessee shall replace all parts of the Equipment that become worn out, lost, stolen, destroyed, damaged beyond repair or otherwise rendered permanently unfit for the use with replacement parts each of which shall be in at least as good condition as the part being replaced, and which shall meet the original performance specifications and maintain the functionality of the part being replaced. All improvements and additions to any of the Equipment shall become and remain the property of Lessor, except that any improvements or additions for which Lessor has not made a payment under Section 3 of this Master Leasing Agreement, which constitute severable improvements and which when attached to or removed from the Equipment will not diminish the value or usefulness of such Equipment, shall become and remain the property of Lessee and shall not constitute Equipment hereunder. The provisions of this Section 7 are subject to final evaluation of the Railroad Equipment by Lessor and may be supplemented or otherwise amended based on such final evaluation.

8. **Insurance.** Lessee shall, at its own expense, with respect to Equipment maintain insurance insuring the respective interests of Lessor and Lessee and covering (i) physical damage to Equipment and (ii) liability for personal injury, death and property damage resulting from the operation, ownership, use and possession of Equipment including environmental or pollution liability. Policies covering physical damage risks shall be in an amount not less than the Unamortized Value of Equipment. Lessee shall maintain third-party liability insurance covering personal injury, death and property damage liability as a result of one accident including environmental or pollution liability in the same amount as that insurance coverage maintained by Lessee with respect to Lessee's owned equipment of the same types as the Equipment leased hereunder, but in no event shall such coverage be less than \$20,000,000. All policies covering physical damage risks and all third party liability insurance required hereunder shall be subject to the same self-insured retention or deductible amounts as are applicable to Lessee's owned equipment of the same types as the Equipment leased hereunder. Lessee's self insured retention amount may be adjusted from time to time during the term of this Master Leasing Agreement without the prior written consent of Lessor provided that such amount shall at all times be in compliance with prudent industry practices. Lessor and its direct affiliates shall be named as additional insureds as their interests may appear in all insurance policies required under this Section. All such policies shall provide for at least thirty (30) days' written notice to Lessor of any cancellation or material alteration of such policies. Lessee shall furnish Lessor certificates or other evidence satisfactory to Lessor of compliance by Lessee with the provisions hereof, but Lessor shall be under no duty to examine such certificates or to advise Lessee in the event its insurance is not in compliance herewith. Lessee covenants that it will not use or operate or permit the use or operation of any Equipment at any time when the insurance required by this Section is not in force with respect to such Equipment. Lessee's obligation to maintain insurance with respect to any Equipment shall commence on the actual day of delivery of the Equipment and shall continue until the Equipment is sold or the lease of the Equipment terminates, whichever is sooner.

9. Indemnity.

(a) Lessee agrees to indemnify and hold harmless Lessor, any employee of Lessor and any parent, subsidiary or affiliate of Lessor against any and all claims, demands and liabilities of whatsoever nature (including all negligence, tort and strict liability claims), judgments, suits and all legal proceedings, and all costs and expenses (including litigation expenses), except for those claims, demands, liabilities, judgments and suits arising solely out of the gross negligence or willful misconduct of Lessor, relating to or in any way arising out of:

(i) the selection, manufacture, purchase, acceptance, ownership, ordering, delivery, non-delivery, acquisition, making of payments (by electronic transfer, check or other means), rejection, installation, possession, leasing, titling, registration, re-registration, custody by Lessee of title and registration documents, use, non-use, misuse, operation, condition, servicing, maintenance, transportation, repair, improvement, alteration, replacement, storage, control or disposition of Equipment leased or requested by Lessee to be leased hereunder, except to the extent that such costs are included in the Acquisition Cost of such Equipment within the dollar limit provided in Section 2 hereof (or within any change of such limit agreed to in writing by Lessor and Lessee) and except for any general administrative or overhead expenses of Lessor;

(ii) all recording and filing fees, stamp taxes and like expenses with respect to security filings on the Equipment incurred by Lessor or its agent;

(iii) all costs, charges, damages or expenses for royalties and claims and expenses arising out of or necessitated by the assertion of any claim or demand based upon any infringement or alleged infringement of any patent or other right, by or in respect of any Equipment, provided, however, that Lessor will to the extent permissible make available to Lessee Lessor's rights under any similar indemnification arising by contract or operation of law from the manufacturer of Equipment;

(iv) all federal, state, county, municipal, foreign or other fees and taxes of whatsoever nature, including but not limited to license, qualification, franchise, sales, use, gross receipts, ad valorem, business, property (real or personal), excise and occupation fees and taxes, and penalties and interest thereon, whether assessed, levied against or payable by Lessor or otherwise, with respect to Equipment or the acquisition, purchase, sale, rental, use, operation, control, ownership or disposition of Equipment or measured in any way by the value thereof or by the business of, investment in, or ownership by Lessor with respect thereto, excepting only net income taxes on the net income of Lessor determined substantially in the same manner as net income is presently determined under the Federal Internal Revenue Code, and any excise, sales or use taxes included in the Acquisition Cost of the Equipment, provided that in no event shall Lessee indemnify Lessor for any additional income taxes which arise as a result of the Lessor being deemed not to be the owner of the Equipment for federal income tax purposes;

(v) any violation, or alleged violation, of any contracts or agreements to which Lessee is a party or by which it is bound, or any laws, rules, regulations, orders, writs, injunctions, decrees, consents, approvals, exemptions, authorizations, licenses and withholdings of objection, of any governmental or public body or authority and all other requirements having the force of law applicable at any time to Equipment or any action or transaction by Lessee with respect thereto or pursuant to this Master Leasing

Agreement, including, but not limited to, any costs, expenses or liabilities arising from the violation of any local, state or federal environmental laws or regulations of whatever kind which relate in any way to the use of the Equipment;

(vi) tort claims of any kind (whether based on strict liability or otherwise) including claims for injury to or death of persons (including Lessee's employees) and for damage to property related directly or indirectly in any way to the ownership, maintenance, use and operation of any Equipment; or

(vii) any reclaims, storage charges, mileage allowances, repair costs or any other charges relating to the Railroad Equipment payable to any carrier or railroad company.

(b) Lessee shall forthwith upon written demand reimburse Lessor for any sum or sums expended with respect to any of the foregoing, or shall pay such amounts directly upon request from Lessor. Lessor's written demand shall be accompanied by a written statement describing in reasonable detail the amounts claimed hereunder. Lessee shall be subrogated to Lessor's right in the affected transaction and shall have a right to determine the settlement of claims therein but not adverse to the best interests of Lessor. The foregoing indemnity in this Section shall survive the expiration or earlier termination of this Master Leasing Agreement or any lease of Equipment hereunder.

(c) If any claim is made or action commenced against Lessor for death, personal injury or property damage resulting from the ownership, maintenance, use or operation of any Equipment, Lessor shall promptly notify Lessee thereof and forward to Lessee a copy of every demand, notice, summons or other process received in connection therewith. Lessee hereby agrees that it shall fully defend Lessor and handle all aspects of any such claim or action. Lessee further agrees to keep Lessor reasonably informed as to the progress of any such claim or action. Upon written notice to Lessee, Lessor shall have the right, at its own cost and expense, to arrange for its own defense against any such claim or action if, in Lessor's reasonable discretion, Lessor believes a separate defense would be in its best interests.

10. Sale or Disposition of Equipment; Adjustment of Rent. (a) After the expiration of one (1) year from the last day of the month in which the lease of any Equipment is effective, if such Equipment with respect to the Lessee has become economically or otherwise obsolete or is no longer useful in Lessee's business, and provided that Lessee is not in default hereunder, Lessee may arrange for the termination of the lease of such Equipment in the manner and with the consequences hereinafter set forth. Lessee shall deliver written notice to Lessor, signed by an authorized officer of Lessee, identifying the Equipment the lease of which Lessee proposes to terminate, the proposed sale price and the terms of the proposed sale. Such notice shall constitute a certificate of Lessee that such Equipment has become economically or otherwise obsolete or is no longer useful in Lessee's business. After delivery of such notice, Lessee, on behalf of and in cooperation with Lessor, shall proceed directly with negotiating the sale or disposition of such Equipment to a third party unrelated to Lessor or Lessee and Lessor shall execute and transmit to Lessee all papers needed to effectuate such sale or disposition. In arranging such sale or disposition of any Equipment pursuant to this Section 10, Lessee shall use its best efforts to obtain sale proceeds not less than such Equipment's retail fair market value, delivered to a purchaser or purchasers unrelated to Lessee, giving due consideration to whether the Equipment's value is higher as an aggregate, or as two or more lots of equipment. If the parties cannot agree upon such fair market value or values, they shall appoint a qualified independent appraiser to determine the amount and his decision shall be final; and, if the parties are unable to agree on a single qualified

independent appraiser, each shall appoint one qualified independent appraiser and the two so appointed shall, if they are unable to agree on the fair market value, jointly name a third, in which event the decisions of a majority of the appraisers as to the fair market value shall be final. All fees and expenses of the appraiser(s) shall be borne by Lessee. If the proposed sale price specified in such notice is less than the Unguaranteed Residual of such Equipment, Lessee shall not proceed to sell the Equipment until it has received the consent of Lessor, which consent shall not be unreasonably withheld.

Lessee shall cause the sale proceeds of such Equipment to be transmitted promptly to Lessor. The lease of such Equipment and Lessee's obligation to pay Rent shall continue until such sale proceeds and additional Rent, if any, are received by Lessor, or Lessor's assignee, and shall thereupon terminate. If the sale proceeds of such Equipment are less than the Unamortized Value of such Equipment at the time of the termination of the lease of such Equipment hereunder, Lessee shall forthwith pay as additional Rent an amount equal to such deficiency. If the sale proceeds of such Equipment are more than the Unamortized Value of such Equipment at the time of the termination of the lease of such Equipment hereunder, Lessor, in consideration of Lessee's agreement hereunder to repair, maintain and insure the Equipment, shall as an adjustment of Rent forthwith pay to Lessee or, at the option of Lessee, credit Lessee's account in an amount equal to the difference between said sale proceeds and said Unamortized Value. If for any month funds are payable by Lessor to Lessee under this Section, the amount so payable may be deducted by Lessee from funds payable during the same month by Lessee for Rent of Equipment.

Notwithstanding the foregoing, if the sale proceeds of any unit of Equipment are less than the Unamortized Value of such Equipment but equal to or greater than the Unguaranteed Residual of such Equipment, Lessee shall at the same time pay Lessor a sum equal to the difference between the amount of the sale proceeds (which proceeds for purposes of determining Lessee's liability may be reduced due to prior or subsequent sales of other units of Equipment as hereinafter described) and the Unamortized Value. If the sale proceeds of any unit of Equipment plus Contingent Rent are less than the Unguaranteed Residual of such Equipment Lessee shall at the same time pay Lessor a sum equal to the Unamortized Value of such Equipment less the Unguaranteed Residual of such Equipment. In the event a deficiency arises because Lessor does not receive the Unguaranteed Residual, to the extent that in any prior or subsequent sale of any unit of Equipment, sale proceeds were received or will be received in excess of the Unguaranteed Residual, such excess sale proceeds shall be paid to Lessor, with respect to future sales, upon the sale of any unit of Equipment, and with respect to prior Equipment sales resulting in excess proceeds, at the time the deficiency arises. Any sale proceeds of Equipment in excess of the Unamortized Value of the Equipment after the expiration of the lease terms of all Equipment will be for the account of Lessee.

The term "sale proceeds" for purposes of this Master Leasing Agreement shall mean the gross purchase price paid by the purchaser, without charge or reduction in any manner on account of any costs or expenses of sale, removal, transportation, repair, storage, delivery or similar costs or expenses, and all of such costs and expenses (if any) shall be borne by Lessee.

(b) If Lessee shall, pursuant to the provisions of this Master Leasing Agreement, exercise an option to purchase any Equipment for the greater of its fair market value or its Unamortized Value, such purchase shall be treated as a sale of such Equipment under Subsection 10(a) above.

(c) If Lessee chooses to terminate the lease of any Railroad Equipment pursuant to this Section 10, the Lessee shall terminate the lease of all Railroad Equipment and all related equipment.

11. Loss or Destruction of the Equipment. Lessee hereby assumes all risks of loss or damage to the Equipment howsoever the same may be caused. Lessee shall notify Lessor immediately of any loss or of any damage to any Equipment in an amount in excess of \$25,000 and shall keep Lessor informed of all developments and correspondence regarding insurance rights and other rights and liabilities arising out of the loss or damage. In the event of total destruction of any of the Equipment or damage beyond repair or the commandeering, conversion or other such loss of any of the Equipment, or if the use thereof by Lessee in its regular course of business is prevented by the act of any third person or persons, or any governmental instrumentality, for a period exceeding ninety (90) days, or if any of the Equipment is attached (other than on a claim against Lessor but not Lessee) and the attachment is not removed in a period of ninety (90) days, or, if any of the Equipment is seriously damaged and the Equipment is not repaired in a period of one (1) year or, if the lease of any Railroad Equipment is terminated without terminating the lease of all Railroad Equipment such Railroad Equipment may be terminated on a unit by unit basis pursuant to this Section 11, then in any such event:

- (a) Lessee shall promptly notify Lessor in writing of such fact;
- (b) Within ten (10) days thereafter Lessee shall pay to Lessor, or Lessor's assignee, an amount equal to the Unamortized Value of such Equipment at the time of payment;
- (c) The lease of such Equipment shall continue until such payment has been received by Lessor, or Lessor's assignee, and shall thereupon terminate; and
- (d) Upon such payment all of Lessor's title to and rights in such Equipment and any insurance thereon shall automatically pass to Lessee or its designee.

12. Surrender of Equipment. Upon the final termination of the lease as to any Equipment (other than a termination as provided for in Sections 10, 11, 14, 15, 16, or 17), Lessee shall surrender such Equipment to Lessor at Lessee's property where the Equipment is then located or at such other place as may be agreed upon. Following such surrender, Lessor, or Lessor's agent, shall effect a sale of such Equipment to a third party. The sales proceeds from any such sale shall be treated in the same manner as the sale proceeds from a sale made pursuant to the terms and provisions of Section 10 hereof. Lessee shall cooperate with Lessor in effecting removal of the Equipment from Lessee's property.

13. Events of Default. The following events of default by Lessee ("Events of Default") shall give rise to rights on the part of Lessor described in Section 14:

- (a) Default in the payment of Rent, Interim Rent or any other payment due from Lessee hereunder which shall continue for two (2) Business Days after written notice of such default from Lessor to Lessee; or
- (b) Default in the covenant of Lessee in Section 8 hereof as to non-use of any Equipment as to which the required liability insurance is not in force; or

(c) Default in the payment or performance of any other liability, obligation, or covenant, condition or agreement to be performed or observed by Lessee hereunder or breaches of any representation or provision contained herein or in any other document furnished to Lessor in connection herewith, and such failure or breach shall continue unremedied for thirty (30) days after written notice to Lessee sent by registered or certified mail by Lessor; or

(d) The termination of existence, the termination of the business of, or the making of an assignment for the benefit of creditors by, Lessee; or

(e) The institution of bankruptcy, reorganization, liquidation or receivership proceedings by or against Lessee and, if instituted against Lessee, its consent thereto or the pendency of such proceedings for at least sixty (60) days; or

(f) Lessee shall admit in writing its inability to pay its debts generally when due; or

(g) Lessee shall create, incur, assume or suffer to exist any mortgage, lien, pledge or other encumbrance or attachment of any kind whatsoever upon, affecting or with respect to the Equipment or this Master Leasing Agreement or any of Lessor's interests hereunder; or

(h) The dissolution, merger, reorganization or sale of all or substantially all of the assets of Lessee without the prior written approval of Lessor.

Lessee shall be obligated to provide Lessor with written notice of any Event of Default and of any event which, with notice, or the lapse of time, or both, would constitute an Event of Default promptly upon Lessee obtaining knowledge of any such event.

14. Rights of Lessor upon Default of Lessee. Upon the occurrence of any of the Events of Default and at any time thereafter Lessor may, with or without terminating the Master Leasing Agreement, in its discretion do one or more of the following:

(a) Terminate the lease of any or all Equipment upon five (5) days' written notice to Lessee sent by certified mail;

(b) Whether or not any lease is terminated, take immediate possession of any or all of the Equipment, including substituted parts, accessories or equipment and/or other equipment or property of Lessor in the possession of Lessee, wherever situated and for such purpose, enter upon any premises without liability for doing so;

(c) Whether or not any action has been taken under Subsections 14(a) or (b) above, Lessor may sell any Equipment (with or without the concurrence or request of Lessee) and Lessor shall retain all proceeds from such sale. In addition, if the sales proceeds (reduced by any legal costs or any costs or expenses of sale, removal, transportation, repair, storage, delivery, or similar costs and expenses) are less than the Unamortized Value of the Equipment sold, Lessee shall pay to Lessor any such shortfall. No Rent shall accrue with respect to such unit of Equipment after Lessor's receipt of all sales proceeds, Lessor's receipt of Lessee's payment of any such shortfall, Lessor's receipt of reimbursement for all damages incurred by Lessor and Lessor's receipt of payment of all other amounts due and payable hereunder;

(d) Hold, use or lease any Equipment as Lessor in its sole discretion may decide, and continue to hold Lessee liable for any deficiency between the rent received by Lessor from others

and the Rent and Interim Rent payable hereunder for the balance of the term of the lease of such Equipment;

(e) Invoke and exercise any other remedy or remedies available to Lessor by law or in equity.

No remedy referred to in this Section is intended to be exclusive, but shall be cumulative and in addition to any other remedy referred to above or otherwise available to Lessor at law or in equity but Lessor shall not be entitled to retain any damages, proceeds or other amounts obtained pursuant to this Section 14 which would constitute a double recovery by Lessor for any losses, damages, costs or expenses incurred by Lessor or for any other amounts due to Lessor hereunder. No express or implied waiver by Lessor of any default shall constitute a waiver of any other default by Lessee or a waiver of any of Lessor's rights.

If after default Lessee fails to deliver or converts the Equipment or the Equipment is destroyed, Lessee shall be liable to Lessor for all unpaid Rent and Interim Rent to the date of such failure to deliver, conversion or destruction of such Equipment plus its Unamortized Value at the time and all loss and damages sustained and all costs and expenses incurred by reason of the default. If after default Lessee delivers Equipment to Lessor or if Lessor repossesses Equipment, Lessee shall be liable for and Lessor may recover from Lessee all unpaid Rent and Interim Rent to the date of such delivery or repossession plus all loss and damages sustained and all costs and expenses incurred by reason of the default.

15. Equipment To Be and Remain Personal Property. (a) It is the intention and understanding of both Lessor and Lessee that all Equipment shall be and at all times remain personal property. Lessee will obtain and record such instruments and take such steps as may be necessary to prevent any person from acquiring any rights in the Equipment paramount to the rights of Lessor, by reason of such Equipment being deemed to be real property. If, notwithstanding the intention of the parties and the provisions of this Section 15, any person acquires or claims to have acquired any rights in any Equipment paramount to the rights of Lessor, by reason of such Equipment being deemed to be real property, and such person seeks in any manner to interfere with the continued quiet enjoyment of the Equipment by Lessee as contemplated by this Master Leasing Agreement, then Lessee shall promptly notify Lessor in writing of such fact (unless the basis for such interference is waived or eliminated to the reasonable satisfaction of Lessor within a period of ninety (90) days from the date it is asserted) and Lessee shall within ninety (90) days after such notice pay to Lessor or Lessor's assignee an amount equal to the Unamortized Value of such Equipment at the time of payment. The lease of the Equipment shall continue until such payment has been received and shall thereupon terminate; and upon such payment all of Lessor's title to and rights in such Equipment shall automatically pass to Lessee or its designee.

(b) If Lessee terminates the lease of any Railroad Equipment pursuant to this Section 15, the Lessee shall terminate the lease of all Railroad Equipment and all related equipment.

16. Termination. Either Lessor or Lessee may terminate this Master Leasing Agreement at any time with respect to any equipment not yet leased hereunder effective upon the delivery of notice in writing to the other party of such termination; provided, however, neither such notice nor termination shall affect any transactions entered into or rights created or obligations incurred prior to such termination. In the event of any such termination, Lessee shall arrange for and effect not later than one (1) year from the termination date or upon the expiration

of the Basic Term, whichever occurs first, a termination of the lease of all Equipment hereunder and a sale of all Equipment in the manner and with the consequences as provided in Section 10 hereof. In addition, in the event Lessor exercises its right to terminate under this Section 16, Lessee shall also have the right to purchase all such Equipment for its then Unamortized Value not later than one (1) year from the termination date or upon the expiration of the Basic Term, whichever occurs first. Notwithstanding the provisions of Section 4 hereof, the lease term for all Equipment, the lease of which is terminated under this Section, and Lessee's obligation to pay Rent and Interim Rent shall continue until Lessor receives the sale proceeds or the purchase price of such Equipment.

17. Purchase of Equipment; Extended Term. (a) After the expiration of the Basic Term or any Extended Term of the Equipment leased hereunder, and provided that Lessee is not in default hereunder, Lessee may purchase such Equipment for the greater of its then fair market value or its then Unamortized Value. The lease of such Equipment and Lessee's obligation to pay Rent therefor shall continue until the purchase price, any due and unpaid Rent and any other amounts due hereunder with respect to such Equipment have been transmitted to Lessor and shall thereupon terminate. If the parties cannot agree on the fair market value of any such Equipment, they shall follow the appraisal procedures provided in Section 10. If Lessee chooses to purchase any Railroad Equipment pursuant to this Subsection 17(a), the Lessee shall purchase all Railroad Equipment and all related equipment.

(b) Upon expiration of the Basic Term for the Railroad Equipment leased hereunder, and provided that an event of default has not occurred and is continuing, Lessee may extend the term of this Master Leasing Agreement for such Equipment for up to three (3) additional five-year periods (the "Extended Terms"). Prior to the commencement date of each such Extended Term, Lessor and Lessee shall have the right to review the Monthly Amortization Figure applicable to such Extended Term. Upon such review, either Lessor or Lessee may request the other party to agree to amend the amount of the Monthly Amortization Figure for the next Extended Term based upon existing market conditions. The requesting party shall provide a notice to the non-requesting party of such proposed amendment no earlier than one hundred eighty (180) days and no later than ninety (90) days prior to the commencement of the next Extended Term. If no mutual agreement can be reached with respect to the amount of the Monthly Amortization Figure prior to the expiration of the Basic Term or the then applicable Extended Term, Lessee shall be required to purchase all Railroad Equipment pursuant to the provisions of Section 17(a) upon the expiration of the Basic Term or the then applicable Extended Term. If no request to amend the Monthly Amortization Figure is received by either party hereto and no notice has been provided to Lessor by Lessee of Lessee's decision either to purchase the Equipment pursuant to Section 17(a) or to sell such Equipment to an unrelated third party pursuant to Section 10 at least ninety (90) days prior to the commencement of the next Extended Term, this Master Leasing Agreement shall automatically be extended for such additional 5 year Extended Term and the Monthly Amortization Figure for such Extended Term shall be equal to the amount set forth for such Term in Schedule A hereto. If the lease term of any Railroad Equipment is extended pursuant to this Subsection 17(b), the lease term of all Railroad Equipment and all related equipment shall be extended.

(c) If, ninety (90) days prior to the expiration of the third Extended Term for any Equipment, Lessee fails to provide Lessor with written notice indicating Lessee's intention to either purchase such Equipment pursuant to Subsection 17(a), sell such Equipment to an unrelated third party pursuant to Section 10, or further extend the term of the lease of such Equipment

pursuant to the mutual agreement of the parties hereto, it shall be assumed that Lessee elected to purchase the Equipment pursuant to the provisions of Section 17(a).

18. Finance Lease Status. The parties agree that this lease and each Individual Leasing Record hereunder is a "Finance Lease" as defined by the UCC. Lessee acknowledges that Lessee has reviewed and approved any written "Supply Contract" (as such term is defined in the UCC), covering the Equipment purchased from the "Supplier" (as such term is defined in the UCC) thereof for lease to Lessee. Lessee also acknowledges the following:

- (a) Lessor has not selected, manufactured, or supplied the Equipment;
- (b) Lessor acquired or will acquire the Equipment or the right to possession and use of the Equipment in connection with the Individual Leasing Record; and
- (c) Lessor provides no warranties or other rights with respect to the purchase of the Equipment and any and all rights Lessee has with respect to the purchase of the Equipment are solely against Supplier.

19. DISCLAIMER OF WARRANTIES. LESSEE AGREES AND ACKNOWLEDGES THAT ACCEPTANCE OF THE EQUIPMENT FOR LEASE SHALL CONSTITUTE LESSEE'S ACKNOWLEDGEMENT AND AGREEMENT THAT LESSEE HAS FULLY INSPECTED SUCH EQUIPMENT, AND THAT THE EQUIPMENT IS IN GOOD ORDER AND CONDITION AND IS OF THE MANUFACTURE, DESIGN, SPECIFICATIONS AND CAPACITY SELECTED BY LESSEE, THAT LESSEE IS SATISFIED THAT THE SAME IS SUITABLE FOR ITS PURPOSE, THAT LESSOR IS NOT ENGAGED IN THE SALE OR DISTRIBUTION OF EQUIPMENT, THAT LESSOR HAS NOT SELECTED, MANUFACTURED OR SUPPLIED SUCH EQUIPMENT, THAT LESSOR HAS PURCHASED THE EQUIPMENT FROM VENDORS OF LESSEE'S CHOICE, AND THAT LESSOR HAS NOT MADE AND DOES NOT HEREBY MAKE ANY REPRESENTATION, EXPRESS WARRANTY, IMPLIED WARRANTY, OR COVENANT WHATSOEVER WITH RESPECT TO TITLE, MERCHANTABILITY, CONDITION, QUALITY, DURABILITY, SUITABILITY, OPERATION OR FITNESS OF THE EQUIPMENT IN ANY RESPECT OR IN CONNECTION WITH, OR FOR ANY PURPOSE OR USE OF LESSEE, OR ANY OTHER REPRESENTATION, WARRANTY OR COVENANT OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT THERETO. Lessor shall, at Lessee's sole expense take all action reasonably requested by Lessee to make available to Lessee any rights of Lessor under any express or implied warranties of any manufacturer or vendor of the Equipment. The Lessee acknowledges and agrees that neither the manufacturer, the supplier, nor any salesman, representative or other agent of the manufacturer or supplier, is an agent of Lessor. No salesman, representative or agent of the manufacturer or supplier is authorized to waive or alter any term or condition of this Master Leasing Agreement and no representation as to the Equipment or any other matter by the manufacturer or supplier shall in any way affect Lessee's duty to pay Rent and perform its other obligations as set forth in this Master Leasing Agreement.

20. Assignment by Lessor. LESSEE ACKNOWLEDGES NOTICE THAT LESSOR MAY, IN CONNECTION WITH FINANCING ITS ACQUISITION AND OWNERSHIP OF SOME OR ALL OF THE EQUIPMENT, GRANT PARTICIPATIONS OR SECURITY INTERESTS IN OR SELL OR ASSIGN ITS INTERESTS IN SUCH EQUIPMENT, THIS MASTER LEASING AGREEMENT OR ANY RENT, INTERIM RENT OR OTHER AMOUNTS DUE HEREUNDER. Any instrument executed in connection with such assignment

shall contain a provision to the effect that as long as Lessee is not in default hereunder or under any lease executed pursuant hereto, it shall be entitled to uninterrupted use and quiet enjoyment of the Equipment on the terms herein provided. After such assignment the terms and provisions of this Master Leasing Agreement may not be altered, modified or waived without the written consent of such assignee. In connection with such assignment Lessee agrees to execute such documents as Lessor or its assignee may reasonably request, including notices, acknowledgements and financing statements. Lessor hereby agrees that all direct costs (if any) attributable to such an assignment shall be borne by the Lessor. Lessee agrees to permit Lessor to record this Master Leasing Agreement. Lessee hereby confirms for the benefit of any such assignee that this Master Leasing Agreement cannot be canceled or terminated, except as expressly provided herein and that Lessee's obligation to pay Rent, Interim Rent and any other amounts due hereunder are absolute and unconditional. Upon the written request of such assignee, the Lessee shall make payment of all Rent, Interim Rent and other payments due hereunder with respect to such assignment to the assignee without abatement, deduction or setoff. Such payments shall discharge the obligations of the Lessee to the Lessor hereunder to the extent of such payments. Lessee further covenants and agrees that it will not assert against Lessor's assignee any defense, counterclaim or setoff due to a breach of warranty or otherwise in any action for Rent, Interim Rent or any other amounts due hereunder or for possession of the Equipment which is brought by Lessor's assignee. The assignment by the Lessor to the assignee of rights hereunder shall not impose on the assignee any of the duties or obligations of the Lessor hereunder, but in all other respects the assignee shall have all the rights of the Lessor hereunder to the extent necessary to realize upon Rent, Interim Rent and other amounts due hereunder and to protect the assignee's security interest in Equipment resulting from such assignment.

21. Accumulating Units of Railroad Equipment. (a) Lessee may accumulate units of Railroad Equipment which, when finally accumulated, will constitute all of the Railroad Equipment to be leased hereunder. The accumulated Railroad Equipment and each unit thereof shall be owned by Lessor and leased to Lessee hereunder. The lease of each unit of Railroad Equipment shall be effective from the date of the Individual Leasing Record for such unit of Railroad Equipment. Lessee shall cause all delivered units to be accumulated hereunder within three (3) months after the first day of the calendar month following the first of any such deliveries or within such longer period as may be agreed upon in writing by Lessor.

(b) Subject to the provisions of Subsection 21(e) hereof, Lessee shall pay Interim Rent to Lessor on a monthly basis for all units of Railroad Equipment during the accumulation period beginning on the date of the applicable Individual Leasing Record and continuing to and including the day before the commencement date of the applicable final Individual Leasing Record. As used in this Section "Interim Rent" for units of Railroad Equipment during the accumulation period shall equal the product of: (i) The aggregate Acquisition Cost of the units of Railroad Equipment, multiplied by (ii) a fraction having a numerator equal to the number of days each such unit is under lease during such month and a denominator of 360, multiplied by (iii) the Percentage Rental Factor as provided for in Subsection 1(k)(3).

(c) Upon the accumulation of all units of Railroad Equipment to be leased under this Master Leasing Agreement, a final Individual Leasing Record shall be executed specifically identifying all such units of Railroad Equipment, the Monthly Amortization Figure and Rent shall be computed, and the lease term shall be deemed to commence for such Equipment as of the date of the final Individual Leasing Record. Upon execution of such final Individual Leasing Record for the Railroad Equipment, Lessee shall furnish Lessor with a certificate of acceptance representing that the delivery of all Railroad Equipment has been completed and such Equipment

has been placed in service and is fully operational and is acceptable to Lessee for Lessee's intended use and performs according to all manufacturing specifications. The final Individual Leasing Record shall be dated as of the first day of the next succeeding month following accumulation of the final unit of Railroad Equipment. The Individual Leasing Records for the individual units of Railroad Equipment executed during the accumulation period shall be canceled on the same date the final Individual Leasing Record shall be dated. The Acquisition Cost of the Railroad Equipment on such final Individual Leasing Record shall be the sum of the Acquisition Costs of the units of all Railroad Equipment accumulated during the accumulation period, and shall be amortized as provided in Subsections 1(d) and 1(j).

(d) Notwithstanding the foregoing, at least the provisions of Section 9 and the first sentence of Section 11 of this Master Leasing Agreement shall apply as between Lessor and Lessee with respect to all units of Railroad Equipment from the time such units are ordered by Lessor pursuant to a request from Lessee or from the time such units are delivered to Lessee, whichever shall first occur.

(e) At the option of the Lessee, Interim Rent may be capitalized and added to the Acquisition Cost hereunder on the last day of each month; provided, however, if, at any time, the aggregate Acquisition Cost of Equipment plus Interim Rent shall exceed \$8,500,000, Lessor may deliver a notice to Lessee stating that Interim Rent shall no longer be capitalized. Capitalization of Interim Rent shall thereupon cease as of the first day of the month following receipt of such notice. If upon receipt of such notice the aggregate Acquisition Cost of Equipment shall exceed \$8,500,000, Lessee shall make an additional payment to Lessor on the first day of the month following receipt of such notice equal to such excess.

22. Rebuilds. Lessee may, subject to Lessor's approval, prior to the expiration of the lease of any Equipment, rebuild such Equipment if the remaining life thereof is thereby extended, and if such rebuilt Equipment and all components thereof are owned by Lessor and leased to Lessee hereunder. When the rebuilt Equipment is delivered and accepted, a new Individual Leasing Record shall be substituted for the original Individual Leasing Record which shall be canceled. The new Individual Leasing Record shall be dated and the original Individual Leasing Record canceled as of the date of such delivery. The cost of such rebuild, if approved by Lessor, shall be paid by Lessor and added to the Unamortized Value, if any, of the Equipment at the time the new Individual Leasing Record is substituted, and the sum thereof shall be the Acquisition Cost of the rebuilt Equipment. The maximum number of months over which the Acquisition Cost of the rebuilt Equipment may be amortized shall be determined in accordance with Subsection 1(d) and as though the rebuilt Equipment were a new unit of Equipment leased on the date the Individual Leasing Record is substituted.

23. Identification Markings and Numbering. As soon as is reasonably possible following delivery of any Railroad Equipment to the Lessee, the Lessee shall cause to be plainly, distinctly, permanently and conspicuously marked, placed or fastened upon each unit of Railroad Equipment the following legend in letters not less than one inch in height:

"PROPERTY OF BLC CORPORATION, OWNER AND LESSOR"

and any other legend requested by the Lessor disclosing the interest of any assignee hereunder with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the title of the Lessor to each unit of Railroad Equipment, its rights under this Master Leasing Agreement and the rights of any assignee hereunder. As soon as is reasonably

possible after delivery of any Railroad Equipment to the Lessee, the Lessee shall cause one of its car reporting marks and designated car numbers to be assigned to and marked and/or placed on each side of each unit of Railroad Equipment delivered. At all times after delivery the Lessee will cause each unit of Railroad Equipment to bear on each side thereof the aforesaid legend and the car number so assigned to it. Such car reporting marks and designated car numbers shall not be changed by the Lessee without the prior written consent of Lessor and any assignee of Lessor and any such change shall be in accordance with a statement of new marking numbers to be substituted therefor which statement previously shall have been delivered to the Lessor by the Lessee. Lessee agrees to file all necessary and appropriate documents with the ICC and/or any other authority as may be required under Federal, State or local law, rules or regulations with respect to any such change in car reporting marks and designated car numbers. Lessor and Lessee agree that this Master Leasing Agreement and any chattel mortgages executed in connection with the Railroad Equipment shall be filed by Lessor with the ICC pursuant to the provisions of Title 49 United States Code, Section 11303.

24. Mileage Allowances. In consideration of the Rent to be paid by the Lessee to or for the account of Lessor hereunder, Lessor agrees that it will promptly make available to Lessee in such manner as Lessor and Lessee agree, all mileage allowances received by or due to Lessor with respect to any Railroad Equipment leased hereunder; provided, however, no such mileage allowances shall be made available to the Lessee if such action is prohibited by or is illegal under any federal or applicable state law. If the Railroad Equipment is used such that mileage allowances become due and payable in connection with the Railroad Equipment, Lessee shall render an annual accounting to the Lessor setting forth the total amount of its costs and expenses (including, without limitation, Rent, maintenance, insurance, operating expenses, taxes, accounting, legal, clerical, supervisory and management expenses and all allocable portions of Lessee's overhead) paid or incurred during the accounting period and the amount of the mileage allowances paid to the Lessee during the same period. The Lessee may select the date for the first annual accounting during the first year of the lease of the Railroad Equipment hereunder and shall thereafter make an annual report as of the anniversary date of the first report. At the same time any report is made, Lessee shall make an adjustment of such mileage allowances if required by applicable law. To the extent permitted by applicable law, Lessee's right to receive mileage allowances shall be cumulative during the period covered by this Master Leasing Agreement. Lessee shall in no event claim any abatement of Rent by reason of mileage allowances or set off any amounts received by Lessor as mileage allowances against any Rent payable by Lessee under Section 5 hereof or against any other sums due Lessor or any assignee of Lessor under any other section of this Master Leasing Agreement. As used herein, mileage allowances shall include all sums due from any railroad for the use of any Railroad Equipment leased hereunder. Upon the final termination of the leases of all Railroad Equipment leased hereunder, all mileage allowances which have been received by or are due to Lessor as the result of the leasing during the term hereof of any of the Railroad Equipment leased hereunder, and which are in excess of allowances payable to Lessee hereunder shall be retained by Lessor.

Whether or not this Master Leasing Agreement and the lease of Railroad Equipment hereunder has been terminated, the Lessee shall be liable for and shall promptly pay for any excess empty mileage incurred by the movement of such Railroad Equipment while leased hereunder.

Notwithstanding any provision hereof to the contrary, during any period when there exists any event of default by the Lessee in the payment of Rent hereunder, any mileage allowance which would be otherwise available to Lessee hereunder shall be applied by Lessor to cure such event of default.

If the Railroad Equipment is used such that mileage allowances become due and payable in connection with the Railroad Equipment, Lessee agrees to monitor the movement of Railroad Equipment hereunder, to handle billing in connection with the mileage allowances relating to the Equipment and to make all claims directly against the railroads for such mileage. In addition to the indemnity provisions contained elsewhere in this Master Leasing Agreement, Lessee agrees to indemnify and hold harmless the Lessor against any and all claims, demands and liabilities of whatsoever nature and all costs and expenses relating to or in any way arising out of the operation or application of this Section 24 except for those claims, demands and liabilities which result solely from the gross negligence or willful misconduct of the Lessor.

25. Closing Fee. Upon execution of this Master Leasing Agreement, Lessee hereby agrees to pay to Lessor a non-refundable closing fee of \$15,000. Lessor and Lessee hereby agree that such closing fee may be capitalized and added to the Acquisition Cost of the Railroad Equipment.

26. Miscellaneous. (a) **THIS MASTER LEASING AGREEMENT AND ALL RIGHTS HEREUNDER SHALL BE GOVERNED BY THE LAWS OF THE STATE OF IOWA INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE.**

(b) Each of the parties hereto acknowledges that the other party shall not by act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder or under any other instrument given hereunder unless such waiver is given in writing and the same shall be binding to the extent therein provided and only upon the parties signing the same. A waiver on any one occasion shall not be construed as a waiver on any future occasion.

(c) This Master Leasing Agreement shall be binding upon and inure to the benefit of the parties hereto, their permitted successors and assignees.

(d) All rights, remedies and powers granted herein, or in any other instrument given in connection herewith, shall be cumulative and may be exercised singularly or cumulatively.

(e) This Master Leasing Agreement constitutes the entire understanding or agreement between Lessor and Lessee and there is no understanding or agreement, oral or written, which is not set forth herein. The Lessee agrees to do such further acts and things and to execute and deliver to the Lessor such additional agreements, powers and instruments as the Lessor may reasonably require or deem advisable to carry into effect the express terms of this Master Leasing Agreement or to better assure and confirm to the Lessor its rights, powers and remedies under this Master Leasing Agreement.

(f) Notices to Lessee required pursuant to this Master Leasing Agreement shall be delivered to IES Utilities Inc. at 200 First Street SE, Cedar Rapids, Iowa 52401, Attention: _____, or at such other location as Lessee may direct in writing. Notices to Lessor required pursuant to this Master Leasing Agreement shall be delivered to BLC Corporation at 989 East Hillsdale Boulevard, Suite 300, Foster City, CA 94404, Attention: Contract Services Department, or at such other location as Lessor may direct in writing.

(g) This Master Leasing Agreement may be executed in two or more counterparts, each of which, when taken together, shall constitute a single agreement binding upon all the parties hereto.

(h) If any provision of this Master Leasing Agreement is in conflict with any statute or rule of law in the jurisdiction where it is sought to be enforced, then such provision shall be deemed null and void to the extent that it may be in conflict therewith, but without invalidating the remaining provisions hereof.

(i) NO EXECUTORY AGREEMENT SHALL BE EFFECTIVE TO CHANGE, MODIFY OR DISCHARGE, IN WHOLE OR IN PART, THIS MASTER LEASING AGREEMENT, OR ANY OTHER INSTRUMENT GIVEN IN CONNECTION HERewith UNLESS SUCH AGREEMENT IS IN WRITING AND SIGNED BY LESSOR AND LESSEE.

IN WITNESS WHEREOF, Lessor and Lessee have duly executed this Master Leasing Agreement as of the day and year first above written.

Attest:

By Carl A. Schultz
Secretary

BLC CORPORATION, Lessor

By [Signature]
Title EXECUTIVE VICE PRESIDENT

Form Approved
CNS
Counsel

Attest:

By Stephen W. Southwick
Secretary

IES UTILITIES INC., Lessee

By Dennis B. Vass
Title Treasurer

ACKNOWLEDGEMENT

STATE OF Iowa)
COUNTY OF Linn) SS:

On Sept 27, 1995, before me, MARCIA K. Young, personally appeared Dennis B. Vass and Stephen W. South, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument as Treasurer and Secretary and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Marcia K. Young
Notary Public

My Commission Expires:



ACKNOWLEDGEMENT

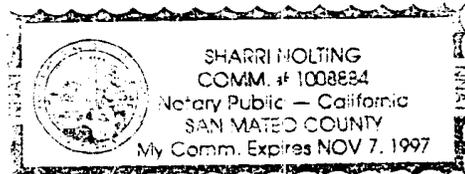
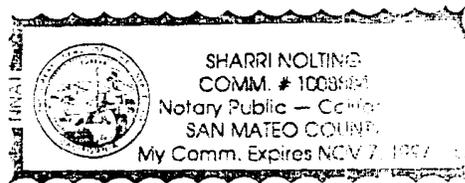
STATE OF CALIFORNIA)
COUNTY OF SAN MATEO) SS:

On September 29, 1995, before me, Sharri Nolting, Notary Public, personally appeared Robert F. Cunningham, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument as Executive Vice President and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Sharri Nolting
Notary Public

My Commission Expires: 11/7/97



SCHEDULE A
TO THE
MASTER LEASING AGREEMENT
DATED AS OF JULY 15, 1995
BETWEEN BLC CORPORATION, AS LESSOR
AND IES UTILITIES INC., AS LESSEE

Model	Reporting Numbers	Monthly Amortization Figure (% of Acquisition Cost)
125 HTS 117 ton Aluminum Body-Steel Underframe Mechanized Rapid Discharge IV Coal Cars with 4,416 cubic foot capacity as more fully described on the attached sample Car Inspection Report	IESX 1001-1125	Basic Term (years 1-5): 5/12 of 1% 1st Extended Term (years 6-10): 4/12 of 1% 2nd Extended Term (years 11-15): 3/12 of 1% 3rd Extended Term (years 16-20): 2/12 of 1%

Post-It™ brand fax transmittal memo 7571		# of pages >
To <i>R.L.C. Corp Legal</i>	From <i>Bill Schaffer</i>	
Co. <i>per Tom Doughty</i>	Co. <i>IES UTILITIES</i>	
Dept.	Phone # <i>(319) 398-4462</i>	
Fax # <i>(415) 573-5669</i>	Fax # <i>(319) 398-4266</i>	

TRINITY INDUSTRIES, INC.
RAILCAR DIVISION

SAMPLE CAR INSPECTION REPORT

Customer: IES UTILITIES
File No: 2395
Location: PLT #101, MT. ORAB, OH
No. of Cars: 125
Type of Cars: RDIV
Car Class: HTS
Reporting Marks/Car Series: IESX 1001-1125
SAMPLE CAR NO: IESX 1001
INSPECTION DATE: AUGUST 9 & 10, 1995
NORMAL Capacity: 117 Ton (Based on
286,000 lb GRL)
Cubic Capacity Level Full (approx.) 4416 cu. ft.
Cubic Capacity With 10" Avg, Heap (approx.) 4814 cu. ft.
Light Weight: (approx.) 51,500 lbs.

AUG 13 1995
2:30 p.m.
ML
Rec'd by CTS
3:45 p.m.

File #2362 Data Sheet

Length Inside.....47'-3"
Length Over Strikers.....50'-5 1/2"
Length Between Truck Centers.....40'-6"
Length Over Coupler Pulling Faces-Open.....53'-1"

Width Inside.....10'-1 3/8"
Width Over Top Chords.....10'-7 15/16"

Height-Top of Rail to Top of Side Plate.....13'-8"
Height Bottom of Side Sill to Top of Side Plate.....10'-2"
Height Top of Rail to Side Sill.....3'-6"
Height Top of Rail to Center of Coupler.....2'-10 1/2"
Height Top of Rail to Center Plate.....2'-1 1/16"
Height Top of Rail to Underside of Center Sill.....2'-4 7/16"

Truck Wheel Base.....5'-10"
Side Bearing Center.....4'-2"
Slope of Floor Sheets - Intermediate.....45 Degrees
Slope of End Slope Sheets.....45 Degrees
Slope of Hopper Slope Sheets.....50 Degrees

Cubic Capacity.....4416 Cu. Ft.
Cubic Capacity With 10" Average Heap (Approximate)...4814 Cu. Ft.
Center of Gravity-Loaded With 10" Heap.....94.0"
Center of Gravity-Empty.....39.0"
Light Weight of Car - Estimated.....51,500 lbs.
Gross Rail Load.....286,000 lbs.
Load Limit.....234,500 lbs.

Curve Negotiability-Horizontal

Uncoupled.....150 Ft.
Coupled To Base Car215 Ft.
Coupled To Like Car.....215 Ft.

Curved Negotiability-Vertical

Uncoupled.....300 Ft.

TRINITY INDUSTRIES, INC.
RAILCAR DIVISION



IES UTILITIES INC.
IESX 1001 - 1125

117 Ton, Aluminum Body - Steel Underframe
Mechanized RAPID DISCHARGE® IV Coal Car
4,416 Cubic Foot Capacity

SPECIFICATION NO. HK-40198

January 23, 1995

Revision "A" - August 3, 1995 - Face Page: 1.01; 1.03; 1.06; 2.01;
2.02; 3.02; 3.06; 4.03;
4.06; 4.07; 4.08; 4.09;
4.10; 4.13; 5.00; 6.05;
6.06; 6.08; 7.01; 7.02

Written by: NSA/emc

Estimate # 7568

Trinity Industries, Inc.
Railcar Division

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General Dimensions	2.00
Underframe	3.00
Side and End	4.00
Door Operating Mechanism	5.00
Painting	6.00
Specialty List	7.00

1.00 GENERAL SPECIFICATIONS

1.01 DESCRIPTION

Car described in this specification is a 117-ton riveted/bolted aluminum body, welded steel underframe, 5 pocket, mechanized, RAPID DISCHARGE ® IV coal car. The three (3) center pockets consist of two doors on each side of the center sill with the bottom (free) edge of the doors abutting each other. Each end pocket consists of one (1) door on each side of the center sill with the bottom edge abutting the bottom edge of the lower slope sheet. This specification is intended to include everything requisite to the proper building of the car, notwithstanding that everything required may not be mentioned.

Car is constructed in accordance with Association of American Railroads (AAR), Federal Railroad Administration (FRA) and other known governmental regulations known to be in effect as of the date of this specification with drawings, templates, gauges and materials as specified in the AAR manual of Standards and Recommended Practices, Section C, Part II. Car is constructed for 286,000 lb. gross rail load (GRL) in accordance with AAR Standard S-259-94. Car meets AAR Plate "B" Equipment Diagram except as noted under "Door Operating Mechanism", Section 5.00. Car builder provides proper fixtures for construction to insure good fit-up and alignment of subassemblies and completed car. Welding is to be performed in accordance with Chapter V of AAR Manual, Section C, Part II and A.W.S. D15.1 Railroad Welding Specification.

1.02 INTERCHANGE

The AAR 263,000 lb. per car 4 wheel truck weight and axle spacing criteria, 2.1.2.2 of Section C, Part II, Volume 1, Manual of Standards and Recommended Practices M-1001 is exceeded with a track load of 286,000 lb. per car on 4 wheel trucks.

1.03 SHAKER TEST

Pre production car has been subjected to a six (6) hour shaker test resulting in no major structural damage to make the car unsuitable for service.

1.00 GENERAL SPECIFICATION (continued)

1.04 MATERIAL

All rolled steel shall meet current AAR specifications, Section 3.1, and material unless otherwise specified, to be minimum requirements as follows:

1. Sheets under 3/16" thick to be ASTM A-570, Grade 33.
2. Plates 3/16" thick and above to be ASTM A-36.
3. Shapes and bars to be ASTM A-36.
4. Bars for handholds and ladder tread material to be ASTM A-576, Grade 1015-1020.
5. If substitutions are necessary, shapes, plates, and bars, composition of which corresponds to the AISI standard grades of carbon steel may be substituted.
6. Aluminum plates and sheets to be alloy 5083-H321.
7. Aluminum extrusions to be alloy 6061-T6.
8. Aluminum may have water stains and/or scratches which are not structurally detrimental.

1.05 RIVETS AND BOLTS

Per current AAR specification, Section 3.1 of AAR Manual of Standards, Section C-II. Aluminum rivets for the side and end assemblies to be 6061-T6. Steel bolts and/or nuts (collars) in contact with aluminum to be plated.

All rivets and bolts in the major car body structure to be 5/8" diameter except for the attachment of the top side chords (4.02), side brace and side crosstie (4.05) tubes which are 3/4" diameter.

1.06 BRAKING POWER

The brake shoe forces as determined by the static dynamometer test (AAR Standard S-401, latest revision) shall be not more than 30% of light weight of car or minimum 7.36% of gross rail load of 286,000 lbs. based on the brake cylinder equalization pressure. Handbrake power to be not less than 10% of gross rail load of 286,000 lbs. Net brake force test is conducted on 12 cars out of the lot of 125 cars.

1.07 BRAKE PIPE

Extra heavy steel pipe is used for all piping for brake equipment, in accordance with AAR Standard S-401 and S-400, latest revision. All piping is secured to underframe of car with wedge type pipe anchors.

Trinity Industries, Inc.
Railcar Division

2.00 GENERAL DIMENSIONS

2.01

Length, Inside	47' - 3"
Length Over Coupler Pulling Faces	53' - 1"
Length Over Strikers	50' - 5-1/2"
Length Between Truck Centers	40' - 6"
Truck Wheelbase	5' - 10"
Width Over Top Chords	10' - 8"
Width, Inside	10' - 1-3/8"
Height, Top of Rail to Top Side Plate	13' - 3"
Height, Maximum Over Corner Caps	13' - 3-1/2"
Estimated Light Weight	51,500 Lbs.
Estimated Load Limit (Based on 286,000# GRL)	234,500 Lbs.
Nominal Capacity (Based on 286,000# GRL)	117 Tons
Cubic Capacity Level Full (approximate)	4,416 Cu. Ft.
Cubic Capacity with 10" Average Heap (approximate)	4,814 Cu. Ft.
Slope of Floor Sheets	45° & 50°

2.02 CENTER OF GRAVITY - ESTIMATED

Empty Car	39.0"
Loaded to 286,000# GRL Level Full	89.64"
Loaded to 286,000 GRL with 10" Heap	94.08"

Trinity Industries, Inc.
Railcar Division

2.00 GENERAL DIMENSIONS cont....

2.03 CURVE NEGOTIABILITY (CALCULATE PER AAR)

Horizontal Curve Uncoupled	150 Ft.
Horizontal Curve Coupled to Base or Like Car	179 Ft.
Vertical Curve Uncoupled	300 Ft.

3.00 UNDERFRAME

3.01 CENTER SILLS

Two (2) AAR CSC sections @ 41.2 lbs. per foot, ASTM A-572, Grade 50 steel extending between draft sills. Top flanges to be continuously welded together from each side, the full length of the sill. Spreaders to be 3/8" steel plate.

3.02 DRAFT SILLS

Grade "B" cast steel with integral striker, draft lugs, center filler and 15-7/8" diameter machined and hardened center plate. Casting to have 1" thick walls between rear draft lugs and center sill splice. Front draft lugs to withstand force of 900,000 lbs. including 1.8 load factor.

3.03 BODY BOLSTER

Each body bolster (2 per car) to consist of the following major components:

Shear Plate	5/8" x 26"	A-572 Gr.50
Web Plate	1/4"	A-572 Gr.50
Side Bearing Column	8" x 3" x 3/8" tube	A-500
Side Bearing Diaphragms	3/8"	A-572 Gr.50
Side Bearing Bottom Tie	1/2" x 20"	A-572 Gr.50

Shear plate is welded to the draft sill, web plate and side bearing assembly and bolted to each side sill. Web plate is flanged and bolted to the slope and bolted to each side through a 5/16" steel plate welded to the web. Double side bearing diaphragms extend between and weld to the draft sill web, side bearing column, shear plate and the bottom tie plate which extends from the draft sill flange to the side bearing column.

3.04 TRANSVERSE RIDGES

Transverse ridge slope sheet is 7/32" aluminum plate applied at 45 degrees and bolted to a special aluminum inverted "U" beam section (#MB-700-4019) extending from side to side. Lower edge of the slope sheet is reinforced with a 3" x 3" x 5/16" A-572, Grade 50 steel angle, extending from side to side. Transverse ridges number four (4) per car.

3.00 UNDERFRAME cont....

3.05 SLOPE SHEETS

Upper, intermediate, and lower (end hopper) slope sheets are 7/32" aluminum plate. Upper slope sheet is applied at 45 degrees, intermediate slope at 45 degrees, and lower slope at 50 degrees from horizontal.

Bottom transverse edge of the lower slope sheets is reinforced and tied together with a 5" x 3" x 5/16" aluminum angle. Joint of the lower and intermediate slope sheet is reinforced with a 5-1/16" aluminum "Z" (#MB-700-4001) extending from side to side. Upper slope sheets are reinforced longitudinally with 3/4" high pressed-in stiffeners numbering four (4) per end.

3.06 HOPPER

Hoppers number five (5) pockets per car, with the doors hinged at the transverse ridge reinforcing angles. The three (3) center pockets consist of two doors on each side of the center sill with the bottom (free) edge of the doors abutting each other. Each end pocket consists of one (1) door on each side of the center sill with the bottom edge abutting the bottom edge of the lower slope sheet. Doors are locked with the Trinity RAPID DISCHARGE ® air operated door mechanism. (See Section 5.00).

Inside hopper sheets are 7/32" aluminum plate reinforced at the door opening with a pressed (integral) 1" offset. Outside hopper sheets are 1/4" aluminum plate reinforced at the door opening with a pressed (integral) 2-7/16" offset. A 3-1/2" x 2-1/2" x 3/8" aluminum vertical reinforcing angle is applied to the inside of the outside hopper sheet of each of the three center pockets.

3.07 LONGITUDINAL HOODS

Longitudinal hood sheets sloped at 55 degrees are 1/4" aluminum plate.

3.08 DOORS

Door sheets are 1/4" aluminum plate with upturned flanges at the top (hinge), inboard and outboard edges and downturned flange at the bottom (free) edge. Each door sheet is stiffened with two longitudinal 2-1/2" x 2-1/2" x 1/4" steel angles extending from door spreader to the cast steel hinge which pivots on hardened steel pin. Door spreader is 3/16" A-572, Grade 50 steel pressed hat shape section extending from side to side. The opened side of the spreader hat section is reinforced between door sheets with a 1/4" steel closure plate.

3.09 FLOOR SUPPORT GUSSETS

1/4" A-572, Grade 50 steel plates (2 per end) welded to the center sill, bolster web and flanged and bolted to the end slope sheet.

4.00 SIDE AND END

4.01 SIDE SHEETS

7/32" aluminum plate arranged with a riveted/bolted longitudinal lap seam.

4.02 TOP SIDE CHORDS

Special "double P" shape aluminum section (#MB-700-4021) with integral shaker bar extending from end to end.

4.03 SIDE SILL

Special aluminum inverted bulb angle (#MB-700-4022) extending between bolsters and 5" x 3" x 5/16" aluminum angle from bolster to end sill.

4.04 SIDE STAKES

Special 10-1/2" wide hat shaped aluminum sections (#MB-700-4020) at the bolsters and transverse ridges and 15-1/2" wide hat shaped 6061-T51 aluminum sections (#MB-700-4023) at each hopper. Side stakes will number six (6) narrow and five (5) wide per side.

4.05 SIDE BRACES - SIDE CROSSTIES

Sides are braced diagonally at each transverse ridge with special aluminum rectangular tube section (#MB-700-4024), four (4) per side, eight (8) per car, bolted to a pair of 4" x 3-1/2" x 3/8" aluminum angles at the top and to a special aluminum extrusion at the bottom. Sides are tied together at the center of the car and at each end hopper with special aluminum rectangular tube section (#MB-700-4024) three (3) per car, bolted to a pair of 4" x 3-1/2" x 3/8" aluminum angles which are bolted to each side near the top of the car.

4.06 END SHEETS

1/4" aluminum plate with a pressed integral 6" channel on the top edge to form the end top chord and flange on the bottom edge to support the slope sheet.

4.07 END SILLS

6" x 3-1/2" x 3/8" aluminum angles.

4.08 CORNER POSTS

Four (4) per car, 3-1/2" x 3-1/2" x 5/16" aluminum angles. Side and end sheets are connected by the corner post.

4.00 SIDE AND END cont...

4.09 END POSTS

3" aluminum "Z" section numbering three (3) per end on the "B" end of the car and one (1) per end on the "A" end of the car for a total of four (4) per car.

4.10 TOP CORNER CONNECTIONS

1/2" steel plate bolted to top side and end chords. A 3/8" steel band on the inside is welded to the corner cap.

4.11 LOWER CORNER GUSSETS

3/8" aluminum plate bolted to the end sill and auxiliary side sills.

4.12 HANDHOLDS

3/4" diameter forging of A-576, Grade 1015-1020 steel. Handholds over 36" long to be 1" diameter.

4.13 LADDERS, END AND SIDE

2-1/2" x 2-1/2" x 1/4" aluminum angles fastened with 5/8" diameter fasteners.

4.14 SILL STEPS

1/2" x 2" ASTM A-576, Grade 1015-1020 steel bar and are located at each corner of car and secured with 5/8" diameter fasteners.

5.00 DOOR OPERATING MECHANISM

1 DOOR OPERATING MECHANISM

Trinity RAPID DISCHARGE ® door operating system which is designed for automatic operation while the car is in motion, is accomplished with power supplied by a double acting 12" diameter pneumatic cylinder with steel tube mounted within the center sill near the "A" end of the car. A pneumatic solenoid operated LEXAIR valve with internal diode is mounted at the "A" end of the car and has solenoids designed for 24 volt DC operation. These operate in conjunction with purchaser's trackside source of 24-32 (30 preferred) volt DC electric power.

On diagonally opposite corners of car, spring loaded "third rail" pick-up shoes are provided to engage purchaser's trackside unit. Pick-up shoes, when extended to operating "ungagged" position, will extend car width to 11'- 0" at a point approximately 32" above the top of the rail. Pick-up shoes are cast aluminum design and are arranged so that they can be "gagged" to be within the AAR clearance line. Pick-up shoes are mounted approximately 18" inboard of the bolster center at the "BL" and "AR" corners of the car.

Cars are equipped with a separate air trainline for supply from the locomotive main reservoir equalizing line to a car mounted reservoir. Complete car dump air system is operable at 90 psi and is designed for 150 psi maximum with reservoir ASME Code stamped accordingly. Air system is independent of the car braking system.

Dump air system is furnished with Prince Model NO. FA-1000-10 air filter and a auxiliary air quick disconnect coupler (Parker 8010-4, 1/2" NPTF) at the "AR" corner of the car.