

2-322A006

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BRUSSELS, BELGIUM
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November 17, 1992

17963-A

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INTERSTATE COMMERCE COMMISSION

Mr. Sydney L. Strickland
Secretary
Interstate Commerce Commission
12th & Constitution Avenue, N.W.
Washington, D.C. 20423
ATTN: Mrs. Mildred Lee

Dear Mr. Strickland:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two original executed copies and one photostatic copy of the following document:

Equipment Schedule No. 3 executed between Union Tank Car Company, as Lessee, and ATEL Financial Corporation, as Lessor, as of September 1, 1992.

A description of the railroad equipment covered by the enclosed document is set forth in Exhibit A to the Equipment Schedule. The documents are to be filed in Recordation No. 17963.

The name and addresses of the aforementioned parties to the enclosed document are:

Union Tank Car Company
111 West Jackson Blvd.
Chicago, Illinois 60604

ATEL Financial Corporation
235 Pine Street, 6th Floor
San Francisco, CA 94104

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NOTICE OF RECORDING UNIT

Countersignature D. M. A. White

HOGAN & HARTSON

Mr. Sydney L. Strickland

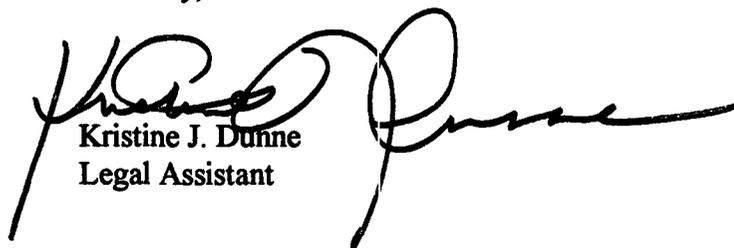
November 17, 1992

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Enclosed is a check in the amount of \$16.00 payable to the order of the Interstate Commerce Commission, covering the required recordation fee. Kindly return two stamped original and one photostatic copy of the enclosed document, as well as a stamped photostatic copy of this letter by return messenger.

Please feel free to contact me with any questions which you may have concerning the above.

Sincerely,



Kristine J. Dunne
Legal Assistant

Enclosures

cc: William M. Holzman, Esq.
Peter F. Rousselot, Esq.

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INTERSTATE COMMERCE COMMISSION

STATE OF CALIFORNIA)
COUNTY OF SAN FRANCISCO

CERTIFICATE

The undersigned, JUDITH J. MURIO a Notary Public in and for said county, states that she compared the attached copy of Equipment Schedule No. 3 dated the 16th day of November, 1992, between Union Tank Car Company and ATEL Financial Corporation with the original document, and certifies that it is a true and correct copy in all respects.

IN WITNESS WHEREOF, the undersigned has hereunto affixed her signature and notarial seal this 16th day of November, 1992.



Judith J. Murio
Notary Public

My Commission Expires: 9.15.95

COUNTERPART NO. 1 OF 5 MANUALLY EXECUTED COUNTERPARTS. ONLY THE MANUALLY EXECUTED COUNTERPART NUMBERED 1 IS SUFFICIENT TO TRANSFER LESSOR'S INTEREST, OR TO GRANT A SECURITY INTEREST HEREIN.

EQUIPMENT SCHEDULE NO. 3
TO

MASTER RAILCAR LEASE AGREEMENT NO. UNIO1 (the "Lease" effective as of September 1, 1992

by and between
ATEL FINANCIAL CORPORATION ("Lessor")
and
UNION TANK CAR COMPANY ("Lessee")

RECORDED 17963
FILED 1425

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INTERSTATE COMMERCE COMMISSION

1. **Equipment:**

QUANTITY	YEAR	MODEL/DESCRIPTION	MANUFACTURER	ROAD NOS.
97	1980	70 Ton 50' 7" AAR Plate "C" Box car	Pullman Standard	(See attached Exhibit A)
2. **Equipment Location:** North America
3. **Acceptance Date:** As indicated on the Acceptance Certificate
4. **Commencement Date:** As of October 1, 1992
5. **Initial Term:** Twenty-five (25) months from October 1, 1992
6. **Equipment Cost:** \$1,920,200
7. **Basic Rent:** In Advance, \$31,040.00 per month for 25 months
8. **Riders:** All of the terms, covenants and conditions set forth in the following Riders hereto are incorporated herein by reference as if the same had been set forth herein in full.
Rider No.1 - Stipulated Loss Values
Rider No.2 - Purchase and Renewal Option
9. **Lease Agreement:** All of the terms, covenants and conditions set forth in the Lease are incorporated herein by reference as if the same had been set forth herein in full. Terms and conditions of this Equipment Schedule which conflict with the terms and conditions of the Lease shall prevail over those of the Lease.
10. **Additional Provisions:** In addition to the terms and conditions found in the Lease, for the Equipment leased on this Equipment Schedule, the following terms and conditions shall apply:

Rental: Upon the termination of the Lease, rental shall continue to be remitted to Lessor as provided in Section 6(b) of the Lease.

Return: Lessee shall utilize its best efforts to originate a load for such Equipment and at its sole cost and expense forthwith surrender possession of such loaded Equipment to Lessor at any open interchange on Canadian Pacific's railroad line. If Lessee is unable to originate a load for any Equipment within 30 days of termination of the lease, Lessee shall provide free storage for such Equipment for a period of up to ninety (90) additional days.

Thereafter, Lessee shall forward the Equipment to Lessor in accordance with written disposition instructions furnished by Lessor. If Lessor fails to provide Lessee with such written disposition instructions within 10 days prior to the expiration of the

ninety (90) day free storage period, then Lessee may return the Equipment to Lessor at White City, Oregon and shall have no further obligation for movement of the Equipment beyond that point.

Registration and Reporting Marks: Lessee will be responsible for the removal of any such markings and restenciling to Lessor-designated markings at the termination of the lease of such Equipment. All costs associated with such stenciling will be paid by Lessee unless otherwise noted.

Residual Shortfall: If, upon expiration of the Initial Term, the Equipment is sold by Lessor, and the net disposition proceeds of such sale are less than \$17,500 per item of Equipment, then Lessee will remit the shortfall, if any, between \$17,500 per item of Equipment and the net disposition proceeds per item of Equipment, provided, however, in no event shall such shortfall payment exceed \$750 per item of Equipment. If, upon the expiration of the Initial Term, the Equipment is re-leased by Lessor for an amount less than the Minimum Per Car Renewal Rate indicated below, then Lessee shall pay to Lessor the shortfall, if any, between the Per Car Residual indicated below and the net disposition proceeds per item of Equipment at the end of the Re-lease Period, provided, however, in no event shall such shortfall payment exceed \$750 per item of Equipment.

<u>Re-Lease Period</u>	<u>Minimum Per Car Renewal Rate (Monthly in Advance)</u>	<u>Per Car Residual</u>
12 months	\$379	\$15,750
24 months	\$305	\$14,750
36 months	\$265	\$14,250
48 months	\$244	\$13,750
60 months	\$229	\$13,250

In connection with the sale or re-lease of any item of Equipment, Lessor agrees to use its reasonable best efforts to obtain the highest possible net disposition proceeds or Minimum Per Car Renewal Rate, as applicable, in order to minimize the amount of any shortfall payments required to be made by Lessee. Lessor further agrees that in connection with any request for a shortfall payment, it will provide Lessee with true and correct copies of all documents reasonably required to enable Lessee to verify such shortfall amount.

ATEL FINANCIAL CORPORATION

UNION TANK CAR COMPANY

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

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**RIDER NO. 1
TO EQUIPMENT SCHEDULE NO. 3
TO LEASE AGREEMENT NO. UNIO1 (the "Lease")**

Stipulated Loss Value: Pursuant to the provision of the second paragraph of Section 8 of the above referenced Lease, in the event any item or items of Equipment are destroyed or damaged beyond repair, as determined by Lessee, in lieu of replacing such item or items of Equipment, Lessee may pay to Lessor or the then assignee of the Lease, if any, on or before the first day of the month following the month in which such destruction or damage shall occur, an amount equal to the Stipulated Loss Value (determined in the manner hereinafter set forth) for each such item of Equipment so destroyed or damaged. Upon such payment by Lessee, the above referenced Equipment Schedule shall terminate with respect to the item or items of Equipment so destroyed or damaged.

The Stipulated Loss Value shall be an amount equal to the percentage indicated below of the cost of the item of Equipment so destroyed or damaged for the payment immediately preceding the Loss:

<u>Payment Number</u>	<u>Percentage</u>
0	117.20%
1	116.72%
2	116.23%
3	115.73%
4	115.23%
5	114.71%
6	114.19%
7	113.66%
8	113.12%
9	112.58%
10	112.03%
11	111.47%
12	110.90%
13	110.33%
14	109.75%
15	109.16%
16	108.57%
17	107.97%
18	107.35%
19	106.74%
20	106.13%
21	105.51%
22	104.89%
23	104.27%
24	103.64%
25 and thereafter	103.01%

ATEL FINANCIAL CORPORATION

UNION TANK CAR COMPANY

By: 
 Title: _____
 Date: NOV. 16/92

By: SG Dingmore
 Title: Vice Pres.
 Date: NOV. 16, 1992

RIDER NO. 2

**to EQUIPMENT SCHEDULE NO.3
to MASTER RAILCAR LEASE AGREEMENT NO. UNIO1 (the "Lease")**

effective as of September 1, 1992

by and between

ATEL FINANCIAL CORPORATION (the "Lessor")

and

UNION TANK CAR COMPANY (the "Lessee")

PURCHASE AND RENEWAL OPTION RIDER

I. Renewal Option.

a. Not more than 120 days nor less than 90 days prior to the last day of the Initial Term for all but not less than all the Equipment on any Equipment Schedule, Lessee shall give Lessor irrevocable written notice of its election to renew the Lease in respect to such Equipment. Provided Lessee shall have duly given the notice required by the immediately preceding sentence, this Lease shall be renewed for such Equipment for one (1) period of either 12, 24, 36, 48, or 60 months which shall be designated by Lessee in such written notice (the "Renewal Term"). Each monthly installment of rent for the Equipment leased during the Renewal Term shall be equal to the Fair Market Rental Value thereof (as hereinafter defined), and shall be payable in advance on or before the first day after the Initial Term and on the first day of each month thereafter.

b. During the Renewal Term, "Fair Market Rental Value" with respect to the Equipment on any Equipment Schedule, shall mean the cash rent obtainable for such Equipment in an arm's length lease between an informed and willing lessee (other than a lessee currently in possession) under no compulsion to lease and an informed and willing lessor, under no compulsion to lease, such determination to be made on the assumption that the Equipment is in a condition which is the better of (1) the condition and state of repair required by this Lease, or (2) the actual condition of the Equipment.

II. Purchase Option.

a. Not more than 120 days nor less than 90 days prior to the last day of the Initial Term (or expiration of any applicable Renewal Term) for all but not less than all the Equipment on any Equipment Schedule, Lessee shall give Lessor irrevocable written notice of its election to purchase such Equipment. Provided Lessee shall have duly given Lessor the notice required by immediately preceding sentence, Lessee shall have the right to purchase such Equipment at the expiration of the Initial Term or the Renewal Term then in effect, at a price equal to the Fair Market Sales Value

of such Equipment (as hereinafter defined). Providing that payment of the purchase price, together with all other amounts due and owing by Lessee under this Lease, shall be made to Lessor on or before the last day of the Initial Term or any Renewal Term, then Lessor will transfer to Lessee all of its right, title and interest in and to the Equipment on an "as-is", "where-is" basis. Lessor shall not be required to make any representation or warranty as to the condition of the Equipment or as to any other matters except for the absence of liens created as a result of Lessor's interest in the Equipment which are not otherwise the responsibility of Lessee under the Lease.

b. "Fair Market Sales Value", with respect to all the Equipment on this Equipment Schedule, shall mean the cash price obtainable for such Equipment in an arm's length sale between an informed and willing purchaser (other than a purchaser currently in possession) under no compulsion to purchase, and an informed and willing seller, under no compulsion to sell, such determination to be made on the assumption that such Equipment is in a condition which is the better of (1) the condition and state of repair required by this Lease, and (2) the actual condition of the Equipment.

III. Return.

Notwithstanding anything contained herein or in the Lease to the contrary, should Lessee not exercise the Purchase Option or Renewal Option in accordance with the terms described hereinabove, the Lessee shall have deemed to elect to terminate the Lease on the last day of the Initial Term and the Equipment shall be returned thereafter in accordance with the Lease.

ATEL FINANCIAL CORPORATION

UNION TANK CAR COMPANY

By: _____

[Signature]

By: _____

S G Dinsmore

Title: _____

Title: _____

Vice Pres.

Date: _____

Nov. 16/92

Date: _____

Nov. 16, 1992

NEW-CAR		OLD-CAR	NEW-CAR		OLD-CAR
QC	074000	WCTR102248	QC	074054	WCTR102437
QC	074001	WCTR102477	QC	074055	WCTR102232
QC	074002	WCTR102259	QC	074056	WCTR102319
QC	074003	WCTR102201	QC	074057	WCTR102235
QC	074004	WCTR102457	QC	074058	WCTR102448
QC	074005	WCTR102401	QC	074059	WCTR102416
QC	074006	WCTR102223	QC	074060	WCTR102237
QC	074007	WCTR102463	QC	074061	WCTR102238
QC	074008	WCTR102353	QC	074062	WCTR102402
QC	074009	WCTR102373	QC	074063	WCTR102200
QC	074010	WCTR102292	QC	074064	WCTR102428
QC	074011	WCTR102420	QC	074065	WCTR102332
QC	074012	WCTR102289	QC	074066	WCTR102293
QC	074013	WCTR102331	QC	074067	WCTR102295
QC	074014	WCTR102252	QC	074068	WCTR102335
QC	074015	WCTR102244	QC	074069	WCTR102471
QC	074017	WCTR102462	QC	074070	WCTR102398
QC	074018	WCTR102455	QC	074071	WCTR102362
QC	074019	WCTR102356	QC	074072	WCTR102427
QC	074020	WCTR102227	QC	074073	WCTR102343
QC	074021	WCTR102309	QC	074074	WCTR102202
QC	074022	WCTR102393	QC	074075	WCTR102251
QC	074023	WCTR102481	QC	074076	WCTR102497
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QC	074025	WCTR102436	QC	074078	WCTR102313
QC	074026	WCTR102250	QC	074079	WCTR102466
QC	074027	WCTR102443	QC	074080	WCTR102216
QC	074028	WCTR102281	QC	074081	WCTR102367
QC	074029	WCTR102411	QC	074082	WCTR102449
QC	074030	WCTR102441	QC	074083	WCTR102423
QC	074031	WCTR102465	QC	074084	WCTR102458
QC	074032	WCTR102209	QC	074085	WCTR102204
QC	074033	WCTR102226	QC	074086	WCTR102271
QC	074034	WCTR102383	QC	074087	WCTR102301
QC	074035	WCTR102421	QC	074088	WCTR102224
QC	074036	WCTR102276	QC	074089	WCTR102344
QC	074037	WCTR102386	QC	074090	WCTR102392
QC	074038	WCTR102246	QC	074091	WCTR102461
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QC	074041	WCTR102314	QC	074094	WCTR102495
QC	074042	WCTR102351	QC	074095	WCTR102488
QC	074043	WCTR102279	QC	074096	WCTR102435
QC	074044	WCTR102384	QC	074098	WCTR102472
QC	074045	WCTR102234	QC	074099	WCTR102255
QC	074046	WCTR102249			
QC	074048	WCTR102363			
QC	074049	WCTR102336			
QC	074050	WCTR102340			
QC	074051	WCTR102358			
QC	074052	WCTR102454			
QC	074053	WCTR102483			

EXHIBIT A

EXHIBIT B
TO
MASTER RAILCAR LEASE AGREEMENT NO. UNIO1 (the "Lease")
effective as of September 1 , 1992
by and between
ATEL FINANCIAL CORPORATION ("Lessor")
and
UNION TANK CAR COMPANY ("Lessee")

CERTIFICATE OF DELIVERY AND ACCEPTANCE

Whereas, UNION TANK CAR COMPANY ("Lessee") has, on _____, 19__, executed Equipment Schedule No.3 to that certain Lease Agreement effective as of September 1, 1992, (the Equipment Schedule, as it incorporates the term of the Lease Agreement, hereinafter referred to as the "Lease") between itself and ATEL FINANCIAL CORPORATION ("Lessor"), and

Whereas, said Schedule lists certain railcars leased thereunder more fully described on Exhibit "A" hereto ("Equipment");

Now, Therefore, Lessee acknowledges delivery, receipt of all Equipment listed on said Equipment Schedule, which Equipment, delivery has been inspected and found satisfactory.

IN ADDITION, LESSEE HAS BEEN ADVISED BY LESSOR THAT THE EQUIPMENT COVERED BY SUCH LEASE IS SUBJECT TO THE EXPRESS DISCLAIMER BY LESSOR OF ALL EXPRESS WARRANTIES AND ALL IMPLIED WARRANTIES INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Lessee confirms that all the representations, warranties and covenants made in the Lease are true and accurate and have not been breached as of the date hereof.

Lessee confirms having received a copy of this acknowledgement contemporaneously with execution.

This disclaimer of express and implied warranties has been discussed between the undersigned and Lessor and has been specifically bargained for by the undersigned and Lessor with respect to the lease of the Equipment particularly described in the Lease.

UNION TANK CAR COMPANY

By: SG Timmore

Title: Vice Pres.

Date: As of October 1, 1992
(the "Acceptance Date")