

THE LAW OFFICES OF  
**LORITZ & ASSOCIATES**

ORLAND STATE BANK BUILDING • 9533 WEST 143RD STREET  
ORLAND PARK, ILLINOIS 60462  
708-403-2555

RICHARD F. LORITZ  
JULIE BURT

RECORDATION NO. **18090** FILED 1/11/93

JAN 11 1993 - 3 20 PM  
INTERSTATE COMMERCE COMMISSION

3-011A043

January 7, 1993

Of Counsel

David Dineff  
Patrick Dwyer  
Thomas E. Grotta  
Sheldon Lebold

Telecopier  
708-349-6628

Office of the Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

RE: Lease of Locomotive Equipment  
National Railway Equipment Company, Lessor  
Helm Financial Corporation, Lessee

Dear Mr. Secretary:

I have enclosed an original and one copy of the document described below to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a lease of locomotive equipment and is a primary document dated November 20, 1992. The names and addresses of the parties to the documents are as follows:

Lessor

National Railway Equipment Company  
An Illinois Corporation  
14400 S. Robey Street  
P.O. Box 2270  
Dixmoor, IL 60426

Lessee

Helm Financial Corporation  
One Embarcadero Center  
Suite 3500  
San Francisco, CA 94111

A description of the equipment covered by the document follows:

<u>Unit</u> <u>Initials</u>	<u>Road</u> <u>Number</u>	<u>Frame #</u>	<u>Model</u>	<u>Built</u> <u>Date</u>
NREX	923	7912-3	SD40	1966
NREX	926	7912-6	SD40	1966

JAN 11 3 13 PM '93  
MOTOR OPERATING UNIT

Office of the Secretary  
January 7, 1993  
Page 2

NREX	3000	7865-1	SD40	1966
NREX	3022	7865-23	SD40	1966
NREX	3057	7932-10	SD40	1966
NREX	3095	7324-13	SD40	1971
NREX	3103	7324-19	SD40	1971
NREX	6400	7890-1	SD40M	1966
NREX	6414	5801-14	SD40	1971
NREX	6512	5773-34	SD40M	1971
NREX	6536	5773-34	SD40M	1971
NREX	6567	5794-25	SD40M	1971
NREX	8316	7282-2	SD40	1970
NREX	8390	7302-5	SD40	1971
NREX	8397	7172-2	SD40	1969

A fee of \$16.00 is enclosed. Please return the original and any extra copies not needed by the commission for recordation to Richard F. Loritz, 9533 W. 143rd Street, Orland Park, IL 60462.

A short summary of the document to appear in the index follows:

A lease of locomotive equipment identified as fifteen (15) locomotives, type SD40, Diesel Electric, with National Railway Equipment Co., as Lessor, and Helm Financial Corporation, as Lessee.

Also attached is an Affidavit executed by the attorney in fact for National Railway Equipment Co. and appropriately notarized declaring that the additional copy enclosed herewith is an exact copy of the original document.

Very truly yours,

NATIONAL RAILWAY EQUIPMENT CO.  
an Illinois Corporation

BY: 

RICHARD F. LORITZ

ITS: Attorney and Agent in Fact

RFL/sjg  
Enclosures  
nrec#107.93m



JAN 11 1993 - 3 20 PM

LEASE OF RAILROAD EQUIPMENT

INTERSTATE COMMERCE COMMISSION

Lease of Railroad Equipment, dated as of August 24th, 1992, between NATIONAL RAILWAY EQUIPMENT COMPANY (hereinafter called the "Lessor") and HELM FINANCIAL CORPORATION, a California corporation (hereinafter called the "Lessee").

WHEREAS, the Lessor hereby represents that it has the right to lease the fifteen (15) SD40 diesel electric locomotives more fully described in Annex A hereto (hereinafter called the "Units") and Annex A-1 hereto (hereinafter called the locomotive serial number and optional equipment lists);

WHEREAS, the Lessee desires to lease from the Lessor all the Units at the rentals and for the terms and upon the conditions hereinafter provided;

WHEREAS, the Lessee has on the Lessor's behalf leased the Units to Ferrocarriles Nacionales de Mexico (National Railways of Mexico) (hereinafter call the "Sublessee"), upon the terms and conditions of the lease, the amendment and the letter dated July 24, 1992 attached hereto as Annex B, Annex C and Annex D respectively (hereinafter collectively called the "Sublease");

WHEREAS, the Lessee has employed the services of Mexican Railway Appliance Co. (Meraco) (the "Agent") to represent the Lessor in Mexico;

NOW THEREFORE, in consideration of the premises and of the rentals to be paid and the covenants hereinafter mentioned to be kept and performed by the Lessee, the Lessor hereby leases the Units to the Lessee upon the following terms and conditions:

1. Lease. Lessor agrees to furnish and lease to Lessee and Lessee agrees to accept and use upon the terms and conditions set forth, the Units described in Annex A attached hereto.

2. Sublease. The terms and conditions of this Lease shall be the same as the terms and conditions of the Sublease unless modified below. The Lessor agrees to accept all the commitments and responsibilities of the lessor in the Sublease, with the following exceptions:

Clause 2D: For the purpose of the weekly meetings, the Lessor shall be represented by the Agent, however, Lessor reserves the right at its discretion to have it's representatives review the maintenance procedures and the Units.

Subclauses 4E, G, H, I: The Lessor shall be represented by the Agent and Lessor reserves the right at its discretion to

have it's representatives review the maintenance procedures and the Units.

Clause 7: The Agent will obtain the Bond on behalf of the Lessor and the Agent shall be responsible for all costs associated with the obtainment of such bonds or permits needed to enter into the Lease.

Clause 9: Lessor defines "MK Maintenance" procedures as the minimum standards of maintenance to this clause and/or Sublessee's standard procedures, whichever affords best procedures.

Subclauses 9C, D: Lessor reserves the right in case of neglect by the Sublessee in the performance of their responsibilities, to remove the Units from service and send to a maintenance facility.

Clause 11: The Lessor shall be represented by the Agent. Lessor reserves the right to be included in the agreement process on each Unit.

3. Rentals. Lessee shall pay to Lessor as rental for the Units seventy-five and 47/100 percent (75.47%) of the rental paid by the Sublessee (the "Rent"). Payment of Rent shall be made to Lessor within 15 days of receipt of payment from Sublessee by Lessee. Rent shall be calculated as the above percentage of the rental as described in the second clause of the Sublease. Lessee shall be entitled to rent abatement per the Seventh and Tenth clauses of the Sublease.

4. Delivery of the Units. Per Clause 2(f) of the Sublease Lessor will deliver the Units to Lessee (at no expense to Lessee) at the middle of the International Bridge between the cities of Laredo, Texas and Nuevo Laredo, State of Tamaulipas, Mexico. Lessee will use its best efforts to obtain free or discounted transportation for Lessor.

5. Delivery Schedule and Term. The delivery schedule of this Lease shall be in accordance with the Fourth Clause of the Sublease.

Lessor shall be responsible for the delivery of all the components, as described in Annex E attached hereto, to and from the storage and/or transfer point in Laredo, Texas.

The Term of this Leases shall be for one (1) year. Lessee shall have the right to terminate this Lease at any time after 180 days for the first thirteen (13) Units, or after 165 days for the last two (2) Units.

6. Loss, Damage or Destruction. Any payment received by Lessee from Sublessee for loss of a Unit or Units shall be payable to Lessor less fifteen percent (15%) commission paid by Lessee to Agent. In the event that at the expiration or termination of the Lease a Unit or Units are accepted from the Sublessee by Lessee, on Lessor's behalf, and Lessor is unwilling to accept the condition of the Unit(s) upon return, Lessee shall have the option to declare a/the Unit(s) a casualty and pay to Lessor a casualty payment of \$85,000 per Unit. Upon the making of such payment by the Lessee in respect of a Unit, the Lessee shall be entitled to ownership and title of such Units and/or their remains. Lessee shall, in the event of a dispute with Sublessee, allow Lessor the option to review the disputed item(s), further, Lessee shall use the best method of settling the dispute. Lessee shall not utilize this clause as a means to purchase the Units, nor shall Lessee return to service a Unit which was declared a casualty.

7. Return of Units. Per Clause 4I, Lessor requires Lessee to determine a point of inspection for the return of the Units in Mexico. The final inspection shall be conducted by the Lessor and Lessee to establish fitness of condition, determine additional payments as outlined in Section 6 of this Lease and/or per Sublease articles outlining settlements or damages prior to returning Units to Lessor.

8. Notices. Any notice required or permitted to be given by either party hereto to the other shall be deemed to have been given when deposited in the United States mails certified, first-class postage prepaid, addressed as follows:

If to the Lessor: National Railway Equipment Company  
14400 South Robey Street  
P.O. Box 2270  
Dixmoor, IL 60426  
ATTN: Lawrence J. Beal, President

If to the Lessee: Helm Financial Corporation  
One Embarcadero Center  
Suite 3500  
San Francisco, CA 94111  
ATTN: President

or addressed to either party at such other address as such party shall hereafter furnish to the other party in writing.

9. Severability. Any provision of this Lease which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any

jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

10. Effect and Modification of Lease. This Lease exclusively and completely states the rights of the Lessor and the Lessee with respect to the leasing of the Units and supersedes all other agreements, oral or written, with respect thereto. No variation or modification of this Lease and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized signatories for the Lessor and the Lessee.

11. Successors and Assigns. This Lease will bind and inure to the benefit of the respective successors and permitted assigns of the parties hereto.

12. Execution. This Lease, and any lease supplemental hereto, may be executed in several counterparts, each of which so executed shall be deemed to be an original, and in each case such counterparts together shall constitute but one and the same instrument.

13. Law Governing. This Lease shall be construed, and all questions concerning its performance and the rights and remedies of the parties hereunder shall be determined, in accordance with the laws of California; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. 11303.

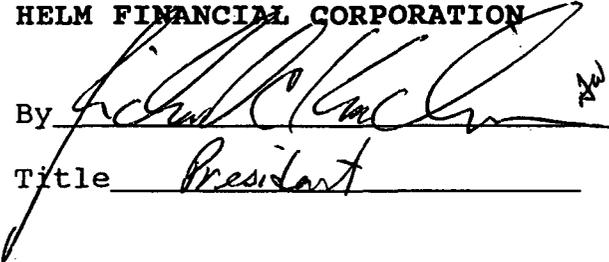
14. Headings. The headings appearing at the commencement of certain sections or subsections herein are for convenience only, and the content or body of the section(s) or subsection(s) thereunder shall control. The numbering system is also included for convenience only.

IN WITNESS WHEREOF, the Lessor and the Lessee, each pursuant to due authority, have caused these presents to be signed in their respective names as of the date first above written.

HELM FINANCIAL CORPORATION

BY

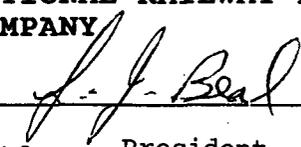
Title

  
President

NATIONAL RAILWAY EQUIPMENT  
COMPANY

BY

Title

  
President

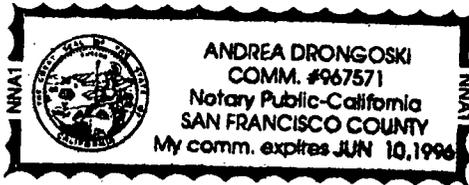
STATE OF CALIFORNIA )  
 ) S  
COUNTY OF SAN FRANCISCO )

On this 31 day of August, 1992, before me personally appeared Richard C. Kirchner, to me personally known, who, being by me duly sworn, says that he is President of **HELM FINANCIAL CORPORATION**, that said instrument was signed and sealed on behalf of said corporation and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Andrea Drongoski  
Notary Public

My Commission Expires: 6/10/96

[Notarial Seal]



STATE OF Illinois )  
 ) S  
COUNTY OF Cook )

On this 24th day of August, 1992, before me personally appeared Lawrence J Beal, to me personally known, who, being by me duly sworn says that he is President of **NATIONAL RAILWAY EQUIPMENT COMPANY**, that said instrument was signed and sealed on behalf of said corporation by authority of its President and Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Debra L Steinhagen  
Notary Public

My Commission Expires: April 18, 1993

[Notarial Seal]

" OFFICIAL SEAL "  
DEBRA L. STEINHAGEN  
NOTARY PUBLIC, STATE OF ILLINOIS  
MY COMMISSION EXPIRES 4/18/93

ANNEX A

to

Lease of Railroad Equipment

Dated as of August 24, 1992

Equipment Description

Fifteen (15) SD40 diesel electric  
Locomotives

<u>Unit Initials</u>	<u>Road Number</u>	<u>Frame #</u>	<u>Model</u>	<u>Built Date</u>
NREX	923	7912-3	SD40	1966
NREX	926	7912-6	SD40	1966
NREX	3000	7865-1	SD40	1966
NREX	3022	7865-23	SD40	1966
NREX	3057	7932-10	SD40	1966
NREX	3095	7324-13	SD40	1971
NREX	3103	7324-19	SD40	1971
NREX	6400	7890-1	SD40M	1966
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NREX	6512	5773-34	SD40M	1971
NREX	6536	5773-34	SD40M	1971
NREX	6567	5794-25	SD40M	1971
NREX	8316	7282-2	SD40	1970
NREX	8390	7302-5	SD40	1971
NREX	8397	7172-2	SD40	1969

**ANNEX A-1**

**(See Attached)**

LOCOMOTIVE SERIAL NUMBER LIST

FILE COPY

ROAD NO. 92.3  
 FRAME NO. 7912-3 H.U.  YES  NO DYNAMIC  YES  NO  
 ENGINE MODEL 16-645-E3

MODEL SD 40

SERIAL #	HEAD S/N	LINER S/N
TAG # <u>66-11-1016</u>	01 <u>74C 1694</u>	<u>72 H 4789</u>
BLOCK # 16E <u>66-11-1016 66F60</u>	02 <u>72 B 1623</u>	<u>76 C 3576</u>
TURBO <u>83 F 0100</u>	03 <u>76 A 2001</u>	<u>76 L 2643</u>
GOVERNOR <u>1138521</u>	04 <u>0752-1973</u>	<u>78 D 9407</u>
RH WATER PUMP <u>92G04</u>	05 <u>779 1163</u>	<u>81 A 0317</u>
LH WATER PUMP <u>92G05</u>	06 <u>71 1963</u>	<u>73 K 0075</u>
MB & PC PUMP <u>92G07</u>	07 <u>73 42333</u>	<u>84 A 0249</u>
SCAVENGING PUMP <u>92G06</u>	08 <u>74 M 0187</u>	<u>86 F 0659</u>
TURBO LUBE PUMP <u>C 974 L65</u>	09 <u>69 D 3550</u>	<u>72 F 1481</u>
FUEL PUMP <u>C 974 A1 E67</u>	10 <u>73 A 1651</u>	<u>77 D 4950</u>
OIL COOLER ASY <u>92603</u>	11 <u>77 H 2220</u>	<u>83 K 4810</u>
ARIO <u>67-A1-1009</u>	12 <u>82 J 0587</u>	<u>84 E 6913</u>
D14 <u>18173</u>	13 <u>77 B 5104</u>	<u>79 G 6892</u>
COOLING FAN #1 <u>122</u>	14 <u>74 A 3559</u>	<u>73 A 0179</u>
COOLING FAN #2 <u>77F33021</u>	15 <u>72 C 0710</u>	<u>80 G 0256</u>
COOLING FAN #3 <u>67AL3</u>	16 <u>74 261008</u>	<u>80 A 0020</u>
AIR COMP. MODEL <u>NB045</u> S/N <u>548280</u>	STAMP HEADS SAME NUMBER.	
AUX GENERATOR <input checked="" type="checkbox"/> 10KW 18KW S/N <u>589347</u>		

DYN. BRAKE FAN #1	#2	RH GRID #1	LH GRID #1	RH GRID #2	LH GRID #2	RH GRID #3	LH GRID #3	TRUCK #1 PART #	S/N	CYL	HI	LOW
<u>1115755</u>	<u>356-17</u>	<u>92G08</u>	<u>92G11</u>	<u>92G09</u>	<u>92G12</u>	<u>92G10</u>	<u>92G13</u>	<u>1400012</u>	<u>3255</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
								<u>8400012</u>	<u>3145</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#	TRACTION MOTOR	MODEL	SERIAL #
#1		<u>077</u>	<u>82 C 5437</u>
#2		<u>077</u>	<u>82 B 5376</u>
#3		<u>077</u>	<u>78 F 2509</u>
#4		<u>077</u>	<u>81 K 5148</u>
#5		<u>077</u>	<u>88 C 9330</u>
#6		<u>077</u>	<u>88 A 9071</u>

BOTH PARTIES ACKNOWLEDGE, THE ABOVE EQUIPMENT SERIAL NUMBER INFORMATION, IS AS STATED.

ACCEPTED BY \_\_\_\_\_ DATE \_\_\_\_\_

VERIFIED BY Robbie Miller DATE 7-21-92

NRE V.P. CERTIFIES \_\_\_\_\_ DATE \_\_\_\_\_

LOCOMOTIVE SERIAL NUMBER LIST

FILE COPY

ROAD NO. 926  
 FRANE NO. 7312-6 H.U.  YES  NO DYNAMIC  YES  NO  
 ENGINE MODEL 16-645-E3 MODEL SD-40

SERIAL #	HEAD S/N	LINER S/N
TAG # <u>79-03-7515</u>	01 <u>69B370</u>	<u>71B7068</u>
BLOCK # <u>16E 77B66</u>	02 <u>72K1890</u>	<u>77B4015</u>
TURBO <u>85-B3-1036</u>	03 <u>79B3179</u>	<u>74M1790</u>
GOVERNOR <u>1262170</u>	04 <u>79K1329</u>	<u>70A3707</u>
RH WATER PUMP <u>92633</u>	05 <u>77A4492</u>	<u>80A5091</u>
LH WATER PUMP <u>102573</u>	06 <u>71K0691</u>	<u>72G2270</u>
HB & PC PUMP <u>174642</u>	07 <u>85D1359</u>	<u>76C4259</u>
SCAVENGING PUMP <u>72626A</u>	00 <u>86L1409</u>	<u>80F2120</u>
TURBO LUBE PUMP <u>C974A3</u>	09 <u>74D2772</u>	<u>8352048</u>
FUEL PUMP <u>C984</u>	10 <u>88A1842</u>	<u>72J4735</u>
OIL COOLER ASY <u>92632</u>	11 <u>Y80972B</u>	<u>75A5802</u>
ARIU <u>66-H2-1031</u>	12 <u>Y81793B</u>	<u>76C4500</u>
DI4 <u>5538</u>	13 <u>71J6542</u>	<u>76J2377</u>
COOLING FAN #1 <u>67B67</u>	14 <u>80M1001</u>	<u>73L3585</u>
COOLING FAN #2 <u>65A150</u>	15 <u>78E1026</u>	<u>77C3624</u>
COOLING FAN #3 <u>79033002</u>	16 <u>75K5168</u>	<u>71D6426</u>

AIR COMP. MODEL 6WBG-H-3 S/N 468333 STAMP HEADS SAME NUMBER  
 AUX GENERATOR 10KW  18KW S/N 15048

DIYN. BRAKE FAN #1	#2	RH GRID #1	LH GRID #1	RH GRID #2	LH GRID #2	RH GRID #3	LH GRID #3	TRUCK #1 PART #	S/N	CYL	HI	LOW
<u>8541354</u>	<u>92636</u>	<u>73A383</u>	<u>6743144B</u>	<u>92634</u>	<u>6743148B</u>	<u>92635</u>	<u>73A800</u>	<u>835612</u>	<u>49A-92637</u>	<input checked="" type="checkbox"/>		
								<u>835612</u>	<u>65M21192</u>	<input checked="" type="checkbox"/>		

#	TRACTION MOTOR	MODEL	SERIAL #
11	TRACTION MOTOR	<u>D77</u>	<u>84C6799</u>
12	TRACTION MOTOR	<u>D77</u>	<u>85K7627</u>
13	TRACTION MOTOR	<u>D77</u>	<u>89C9551</u>
14	TRACTION MOTOR	<u>D77</u>	<u>89B9513</u>
15	TRACTION MOTOR	<u>D77</u>	<u>82D5547</u>
16	TRACTION MOTOR	<u>D77</u>	<u>84L7025</u>

BOTH PARTIES ACKNOWLEDGE, THE ABOVE EQUIPMENT SERIAL NUMBER INFORMATION, IS AS STATED.

ACCEPTED BY \_\_\_\_\_ DATE \_\_\_\_\_  
 VERIFIED BY Robbie Miller DATE 7-23-92  
 HRE V.P. CERTIFIES \_\_\_\_\_ DATE \_\_\_\_\_

# FILE COPY

## LOCOMOTIVE SERIAL NUMBER LIST

ROAD NO. 3000 MODEL SD-40  
 FRAME NO. 7365-1 M.U.  YES  NO DYNAMIC  YES  NO

ENGINE MODEL EA16645-E3

SERIAL # 70 AL-1023  
 TAG # 16A6948  
 BLOCK # 368 4 A16 AS ABOVE  
 TURBO RR-F3-E0406  
 GOVERNOR 84A5027  
 RH WATER PUMP 091173  
 LH WATER PUMP 330F  
 HB & PC PUMP 65K359  
 SCAVENGING PUMP 597  
 TURBO LUBE PUMP C974A1  
 FUEL PUMP C974A3  
 OIL COOLER ASY 92 G 16  
 ARILO 21255 72-B1-1124  
 D14 21255  
 COOLING FAN #1 78F36040  
 COOLING FAN #2 75033028  
 COOLING FAN #3 80233016

HEAD S/N	LINER S/N
01 <u>156938</u>	<u>75G1161</u>
02 <u>76C5158</u>	<u>67B6010</u>
03 <u>8012</u>	<u>76J2283</u>
04 <u>73L5227</u>	<u>K1647</u>
05 <u>80C2251</u>	<u>78K0847</u>
06 <u>491659B</u>	<u>74B5920</u>
07 <u>491535B</u>	<u>7078014</u>
08 <u>75A2979</u>	<u>74K5872</u>
09 <u>78H5357</u>	<u>72L4204</u>
10 <u>51C4262</u>	<u>77B3641</u>
11 <u>75H2653</u>	<u>79L2877</u>
12 <u>75KH336</u>	<u>78C2011</u>
13 <u>80F3074</u>	<u>87B3072</u>
14 <u>PH273181K</u>	<u>73C1644</u>
15 <u>74L0939</u>	<u>79C0350</u>
16 <u>74L3007</u>	<u>71E3313</u>

AIR COMP. MODEL 6101 W8045 B/N 610702

STAMP HEADS SAME NUMBER

AUX GENERATOR 10KW  18KW S/N 917873

DYN BRAKE FAN #1	#2	RH GRID #1	LH GRID #1	RH GRID #2	LH GRID #2	RH GRID #3	LH GRID #3	TRUCK #1 PART #	S/N	TRUCK #2 PART #	B/N	CYL
<u>5517373</u>	<u>71452</u>	<u>35749</u>	<u>135716</u>	<u>72614</u>	<u>92615</u>	<u>35321</u>	<u>38489</u>	<u>8400012</u>	<u>68D2639</u>	<u>8400012</u>	<u>68D21040</u>	<input checked="" type="checkbox"/>

MODEL	SERIAL #
<u>D77B</u>	<u>88 FC 3123</u>
<u>D77B</u>	<u>74 M 2 1166</u>
<u>D77B</u>	<u>82 C 3 3004</u>
<u>D77B</u>	<u>88 FC 9143</u>
<u>D77B</u>	<u>95 GC 9131</u>
<u>D77B</u>	<u>67 K 2 1044</u>

BOTH PARTIES ACKNOWLEDGE, THE ABOVE EQUIPMENT SERIAL NUMBER INFORMATION, IS AS STATED.

ACCEPTED BY \_\_\_\_\_ DATE \_\_\_\_\_  
 VERIFIED BY Robbie Miller DATE 7-27-92  
 NRE V.P. CERTIFIES \_\_\_\_\_ DATE \_\_\_\_\_

*(Handwritten)* 11/5

LOCOMOTIVE SERIAL NUMBER LIST

FILE COPY

ROAD NO. 3022 MODEL SD-40  
 FRAME NO. 786-2 H.U.  YES  NO DYNAMIC  YES  NO  
 ENGINE MODEL 645-E3

SERIAL #	HEAD S/N	LINER S/N
TAG # <u>FR-16E-C-76-1712-0</u>	01 <u>79M3742</u>	<u>78H7115</u>
BLOCK # 16E <u>72F331</u>	02 <u>81C2013</u>	<u>81C1946</u>
TURBO <u>99-E3-T0886</u>	03 <u>852785</u>	<u>73A6483</u>
GOVERNOR <u>769146</u>	04 <u>77G0385</u>	<u>73L8179</u>
RH WATER PUMP <u>M2-F-3100</u>	05 <u>81A2248</u>	<u>76M0311</u>
LH WATER PUMP <u>73E31008</u>	06 <u>81A1059</u>	<u>72D0610</u>
HB & PC PUMP <u>871J37</u>	07 <u>852884</u>	<u>78J2088</u>
SCAVENGING PUMP <u>L71H38</u>	08 <u>79L5562</u>	<u>67J4254</u>
TURBO LUBE PUMP <u>C-79</u>	09 <u>80J1082</u>	<u>74A4018</u>
FUEL PUMP <u>C974A3-J-76</u>	10 <u>81D4744</u>	<u>80D5321</u>
OIL COOLER ASY <u>92C42</u>	11 <u>79M3698</u>	<u>79G1606</u>
ARI0 <u>71M1102.9</u>	12 <u>7850656</u>	<u>79C2480</u>
D14 <u>21047</u>	13 <u>81B4846</u>	<u>79J5457</u>
COOLING FAN #1 <u>63F28</u>	14 <u>81D2250</u>	<u>89A2137</u>
COOLING FAN #2 <u>78L67</u>	15 <u>80E30611</u>	<u>75K4591</u>
COOLING FAN #3 <u>78E33032</u>	16 <u>73C3848</u>	<u>76E1683</u>

AIR COMP. MODEL 4-WKE-7-H-S S/N 564212 STAMP HEADS SAME NUMBER  
 AUX GENERATOR 10KW  10KW S/N 228207

DYN. BRAKE FAN #1 <u>69J41</u>	#2 <u>79F26</u>		
RH GRID #1 <u>06542</u>	LH GRID #1 <u>F2378</u>		
RH GRID #2 <u>73A828</u>	LH GRID #2 <u>74J011</u>		
RH GRID #3 <u>80K048</u>	LH GRID #3 <u>74H077</u>		
TRUCK #1 PART # <u>B356212</u>	S/N <u>1445</u>	CYL	#1 <input checked="" type="checkbox"/> LOW
TRUCK #2 PART # <u>8356212</u>	S/N <u>1457W</u>	CYL	#1 <input checked="" type="checkbox"/> LOW

MODEL	SERIAL #
#1 TRACTION MOTOR <u>D77B</u>	<u>79B31019</u>
#2 TRACTION MOTOR <u>D77B</u>	<u>72H31169</u>
#3 TRACTION MOTOR <u>D77B</u>	<u>74G21259</u>
#4 TRACTION MOTOR <u>D77B-1</u>	<u>53C496</u>
#5 TRACTION MOTOR <u>D77B</u>	<u>73K33023</u>
#6 TRACTION MOTOR <u>D77B</u>	<u>78J31046</u>

BOTH PARTIES ACKNOWLEDGE, THE ABOVE EQUIPMENT SERIAL NUMBER INFORMATION, IS AS STATED.

ACCEPTED BY \_\_\_\_\_  
 VERIFIED BY Robbie Miller  
 HRE V.P. CERTIFIES \_\_\_\_\_

DATE \_\_\_\_\_  
 DATE 7-24-92  
 DATE \_\_\_\_\_

LOCOMOTIVE SERIAL NUMBER LIST

FILE COPY

ROAD NO. 3057 MODEL SD-40-  
 FRAME NO. 7932-1 H.V.  YES  NO DYNAMIC  YES  NO  
 ENGINE MODEL 16-645-F3

SERIAL #  
 TAG # 66G2-1094  
 BLOCK # 1GE 16E89  
 TURBO 85T3-1087  
 GOVERNOR 1006187  
 RH WATER PUMP 92G52  
 LH WATER PUMP L79M7  
 HD & PC PUMP L62H23  
 SCAVENGING PUMP 86L51  
 TURBO LUDE PUMP A781 E2-45  
 FUEL PUMP L974A L-86  
 OIL COOLER ASY 7932-10  
 ARIU 73Y3-1042  
 DIA 21591  
 COOLING FAN #1 73D220  
 COOLING FAN #2 72B4  
 COOLING FAN #3 81H33005

HEAD S/N	LINER S/N
01 76E2755	77M07009
02 44E1104	73M01027
03 80F1532	E91
04 85B1161	79B0018
05 83F0041	A91
06 77D2640	76E03839
07 78T2738	81J00488
08 84J0070	UNC 88
09 80H1852	72L01608
10 81D4266	78F03886
11 86H0703	A91
12 23K85	TTG601279
13 81E2650	H91
14 79F2671	84B00190
15 18A82	77M03311
16 79E3282	72C02569

AIR COMP. MODEL 3WB0-H-5 S/N 737545 STAMP HEADS SAME NUMBER  
 AUX GENERATOR 10KW  18KW S/N 260A77

DYN. BRAKE FAN #1 65326 #2 71E36005  
 RH GRID #1 92G50 LH GRID #1 748-168  
 RH GRID #2 92G51 LH GRID #2 87C010  
 RH GRID #3 87C008 LH GRID #3 78L013

TRUCK #1 PART # 8356212 S/N 66C2-1195 CYL HI  LOW  
 TRUCK #2 PART # 8356212 S/N 66C2-1194 CYL HI  LOW

#	MODEL
#1	TRACTION MOTOR <u>D77B</u>
#2	TRACTION MOTOR <u>D77B</u>
#3	TRACTION MOTOR <u>D77B</u>
#4	TRACTION MOTOR <u>D78B</u>
#5	TRACTION MOTOR <u>D77B</u>
#6	TRACTION MOTOR <u>D77B</u>

SERIAL #
<u>80G1-1266</u>
<u>76C1-101</u>
<u>75C1-1183</u>
<u>78H1-1141</u>
<u>68M2-1203</u>
<u>78H1-1373</u>

BOTH PARTIES ACKNOWLEDGE, THE ABOVE EQUIPMENT SERIAL NUMBER INFORMATION, IS AS STATED.

ACCEPTED BY \_\_\_\_\_ DATE \_\_\_\_\_

VERIFIED BY Robbie Miller DATE 7-25-92

HRE V.P. CERTIFIES \_\_\_\_\_ DATE \_\_\_\_\_

# FILE COPY

## LOCOMOTIVE SERIAL NUMBER LIST

ROAD NO. 3095 MODEL SD-40  
 FRAME NO. 7324-13 H.U.  YES  NO DYNAMIC  YES  NO  
 ENGINE MODEL 16-645-E3

SERIAL #	HEAD S/N	LINER S/N
TAG # <u>66-J2-1151</u>	01 <u>71E 4818</u>	<u>65M3722</u>
BLOCK # <u>16E 66-B60</u>	02 <u>72H 5007</u>	<u>72L3268</u>
TURBO <u>79-E3-1035</u>	03 <u>74F2701</u>	<u>76H0590</u>
GOVERNOR <u>2292413</u>	04 <u>77L 5626</u>	<u>74E2770</u>
RH WATER PUMP <u>R73L37011</u>	05 <u>72H 4963</u>	<u>70H3968</u>
LH WATER PUMP <u>R69E44</u>	06 <u>72B3732</u>	<u>80K1475</u>
HB & PC PUMP <u>42K96L</u>	07 <u>72E 1679</u>	<u>80E1076</u>
SCAVENGING PUMP <u>855A91</u>	08 <u>72H 4842</u>	<u>71J9475</u>
TURBO LUBE PUMP <u>C974A3-J-80</u>	09 <u>72G 1625</u>	<u>88J2664</u>
FUEL PUMP <u>C974A3-F-78</u>	10 <u>72H 4949</u>	<u>79A7402</u>
OIL COOLER ASY <u>7324-13</u>	11 <u>74D 6057</u>	<u>69A6403</u>
ARI0 <u>76F2-1012</u>	12 <u>71M 0732</u>	<u>73A2408</u>
D14 <u>22290</u>	13 <u>72H 5129</u>	<u>74K4644</u>
COOLING FAN #1 <u>67D62</u>	14 <u>77A3065</u>	<u>L6549</u>
COOLING FAN #2 <u>67D63</u>	15 <u>76B3898</u>	<u>73C3114</u>
COOLING FAN #3 <u>74-A3-6014</u>	16 <u>72H 4951</u>	<u>84E5166</u>

AIR COMP. MODEL 6WBC-H-S S/N 648517 STAMP HEADS SAME NUMBER  
 AUX GENERATOR 10KW  18KW S/N 605B78

DYN. BRAKE FAN #1 <u>81-E3-6018</u>	#2 <u>87JC 9208</u>
RH GRID #1 <u>92G59</u>	LH GRID #1 <u>92G60</u>
RH GRID #2 <u>92G57</u>	LH GRID #2 <u>92G61</u>
RH GRID #3 <u>92G58</u>	LH GRID #3 <u>92G62</u>
TRUCK #1 PART # <u>8407057</u>	S/N <u>71-H2-1080</u> CYL <input checked="" type="checkbox"/> HI <input type="checkbox"/> LOW
TRUCK #2 PART # <u>8407057</u>	S/N <u>71-H2-1078</u> CYL <input checked="" type="checkbox"/> HI <input type="checkbox"/> LOW

#	MODEL	SERIAL #
#1 TRACTION MOTOR	<u>D77B</u>	<u>85FC 9150</u>
#2 TRACTION MOTOR	<u>D77B</u>	<u>88FC 9130</u>
#3 TRACTION MOTOR	<u>D77B</u>	<u>88FC 9052</u>
#4 TRACTION MOTOR	<u>D77B</u>	<u>88FB 9087</u>
#5 TRACTION MOTOR	<u>D77B</u>	<u>88FA 9157</u>
#6 TRACTION MOTOR	<u>D77B</u>	<u>88FC 9152</u>

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ACCEPTED BY \_\_\_\_\_ DATE \_\_\_\_\_

VERIFIED BY Robbie Miller DATE 7-27-92

HRE V.P. CERTIFIES \_\_\_\_\_ DATE \_\_\_\_\_

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## LOCOMOTIVE SERIAL NUMBER LIST

ROAD NO. 3103  
 FRAME NO. 7324-2 H.U.  YES  NO DYNAMIC  YES  NO  
 ENGINE MODEL 16-645-E3

SERIAL #	HEAD S/N	LINER S/N
TAG # <u>80G3-1068</u>	01 <u>80M2597</u>	<u>88G0199</u>
BLOCK # <u>16E 71F44</u>	02 <u>2995</u>	<u>8760723</u>
TURBO <u>87-JH-T0183</u>	03 <u>841913</u>	<u>89B2008</u>
GOVERNOR <u>1306228</u>	04 <u>81F0665</u>	<u>89H2934</u>
RH WATER PUMP <u>102566</u>	05 <u>0755</u>	<u>84F1676</u>
LH WATER PUMP <u>92G26</u>	06 <u>3F0290</u>	<u>88B3170</u>
NB & PC PUMP <u>AS3332</u>	07 <u>80K4825</u>	<u>87C2201</u>
SCAVENGING PUMP <u>23677</u>	08 <u>81C1314</u>	<u>88B2203</u>
TURBO LUBE PUMP <u>92G02</u>	09 <u>79L0034</u>	<u>89G4350</u>
FUEL PUMP <u>C 974A3</u>	10 <u>80H2020</u>	<u>87C4734</u>
OIL COOLER ASY <u>92G45</u>	11 <u>81C3500</u>	<u>87G8269</u>
ARIO <u>79-E1-1021</u>	12 <u>81K2383</u>	<u>89B2888</u>
DIA <u>28152</u>	13 <u>81A3263</u>	<u>86K0405</u>
COOLING FAN #1 <u>77B29</u>	14 <u>850769</u>	<u>87H5564</u>
COOLING FAN #2 <u>79J234</u>	15 <u>81C4318</u>	<u>80M0607</u>
COOLING FAN #3 <u>62J53</u>	16 <u>81C4347</u>	<u>83L-0003</u>

AIR COMP. MODEL 6WBG-H-3 S/N 8411 STAMP HEADS SAME NUMBER

AUX GENERATOR 10KW  10KW  18KW S/N 972678

DYN. DRAKE FAN #1	#2	RH GRID #1	LH GRID #1	RH GRID #2	LH GRID #2	RH GRID #3	LH GRID #3
<u>87GC9161</u>	<u>72E27</u>	<u>92G42</u>	<u>92G76</u>	<u>92G43</u>	<u>78C229</u>	<u>92G44</u>	<u>6743H48B</u>

TRUCK #1 PART # 8407057 S/N 71-112-1198 CYL  HI  LOW  
 TRUCK #2 PART # 8407057 S/N 71-112-1197 CYL  HI  LOW

#	TRACTION MOTOR	MODEL	SERIAL #
#1	<u>D77B</u>	<u>D77B</u>	<u>66EL1173</u>
#2	<u>D77B</u>	<u>D77B</u>	<u>79E90066</u>
#3	<u>D77B</u>	<u>D77B</u>	<u>80A2-1180</u>
#4	<u>D77B</u>	<u>D77B</u>	<u>80A-1493</u>
#5	<u>D77B</u>	<u>D77B</u>	<u>79J1-1573</u>
#6	<u>D77B</u>	<u>D77B</u>	<u>9A3922</u>

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ACCEPTED BY \_\_\_\_\_ DATE \_\_\_\_\_

VERIFIED BY Robbie Miller DATE 7-27-92

NRE V.P. CERTIFIES \_\_\_\_\_ DATE \_\_\_\_\_

LOCOMOTIVE SERIAL NUMBER LIST

FILE COPY

ROAD NO. 6400 MODEL SD-40  
 FRAME NO. 7890-1 H.V.  YES  NO DYNAMIC  YES  NO  
 ENGINE MODEL 16-645-E3

SERIAL #	HEAD S/N	LINER S/N
TAG # <u>67-H2-1062</u>	01 <u>73K2256</u>	<u>77C0782</u>
BLOCK # 1GE <u>67H57</u>	02 <u>77M3470</u>	<u>79L2487</u>
TURBO <u>87-H4-10136</u>	03 <u>72R3492</u>	<u>73K3017</u>
GOVERNOR <u>2292428</u>	04 <u>75K2991</u>	<u>83H0170</u>
RH WATER PUMP <u>67306</u>	05 <u>78M727</u>	<u>77F33548</u>
LH WATER PUMP <u>P80J86</u>	06 <u>87G8815</u>	<u>69B4703</u>
MB & PC PUMP <u>L62G29</u>	07 <u>863137</u>	<u>84J0549</u>
SCAVENGING PUMP <u>S-7580-35493</u>	08 <u>76F2507</u>	<u>74L4777</u>
TURBO LUBE PUMP <u>C924A5</u>	09 <u>84D3237</u>	<u>77J0091</u>
FUEL PUMP <u>92-G-01</u>	10 <u>73K3777</u>	<u>76C0234</u>
OIL COOLER ASY <u>7890-1</u>	11 <u>87A1290</u>	<u>86H1316</u>
ARIO <u>74D1-1022</u>	12 <u>74A1219</u>	<u>74J2784</u>
D14 <u>11178</u>	13 <u>87K3957</u>	<u>84E6333</u>
COOLING FAN #1 <u>84G3-5015</u>	14 <u>85K0565</u>	<u>87D2043</u>
COOLING FAN #2 <u>76B24</u>	15 <u>77E0451</u>	<u>77L4771</u>
COOLING FAN #3 <u>68A89</u>	16 <u>77F4993</u>	<u>FAR108679</u>

AIR COMP. MODEL 6WBG-H-5 S/N 579168T STAMP HEADS SAME NUMBER  
 AUX GENERATOR 10KW  18KW S/N 833629T

DYN. BRAKE FAN #1 <u>92649</u>	#2 <u>79A96</u>		
RH GRID #1 <u>39072</u>	LH GRID #1 <u>46468</u>		
RH GRID #2 <u>38131</u>	LH GRID #2 <u>38780</u>		
RH GRID #3 <u>36498</u>	LH GRID #3 <u>38683</u>		
TRUCK #1 PART # <u>8356212</u>	S/N <u>978</u>	CYL	#1 <input checked="" type="checkbox"/> LOW
TRUCK #2 PART # <u>8356212</u>	S/N <u>988</u>	CYL	#1 <input checked="" type="checkbox"/> LOW

MODEL	SERIAL #
#1 TRACTION MOTOR <u>D77B</u>	<u>79K1-1685</u>
#2 TRACTION MOTOR <u>D77B</u>	<u>79D1-1465</u>
#3 TRACTION MOTOR <u>D77B</u>	<u>80F1-1594</u>
#4 TRACTION MOTOR <u>D77B</u>	<u>72L1-1254</u>
#5 TRACTION MOTOR <u>D77B</u>	<u>83M3-5134</u>
#6 TRACTION MOTOR <u>D77B</u>	<u>72F1-1332</u>

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ACCEPTED BY \_\_\_\_\_

DATE \_\_\_\_\_

VERIFIED BY Robbie Miller

DATE 7-25-92

NRE V.P. CERTIFIES \_\_\_\_\_

DATE \_\_\_\_\_

# FILE COPY

## LOCOMOTIVE SERIAL NUMBER LIST

ROAD NO. 6414 MODEL SD-40  
 FRAME NO. 5801-15 H.U.  YES  NO DYNAMIC  YES  NO  
 ENGINE MODEL 16-645-E3

SERIAL #	HEAD S/N	LINER S/N
TAG # <u>78-K3-1520</u>	01 <u>78K0553</u>	<u>67K6154</u>
BLOCK # <u>16E-<del>78K22</del> 67K22</u>	02 <u>73H0031</u>	<u>79B2518</u>
TURBO <u>87-14-T0161</u>	03 <u>78J2209</u>	<u>77L3312</u>
GOVERNOR <u>1503846</u>	04 <u>79B0252</u>	<u>87A3188</u>
RH WATER PUMP <u>B85426</u>	05 <u>7TK0556</u>	<u>77L1767</u>
LH WATER PUMP <u>L63017</u>	06 <u>69L3208</u>	<u>80L6515</u>
MB & PC PUMP <u>51A71</u>	07 <u>79C5668</u>	<u>79D4162</u>
SCAVENGING PUMP <u>855E4</u>	08 <u>73K0193</u>	<u>69K5821</u>
TURBO LUBE PUMP <u>974A3-B-6</u>	09 <u>82H0441</u>	<u>75A1296</u>
FUEL PUMP <u>974A3-B-79</u>	10 <u>82H0445</u>	<u>73K3482</u>
OIL COOLER ASY <u>5801-19</u>	11 <u>69D6882</u>	<u>78H7579</u>
ARI0 <u>73B1-1163</u>	12 <u>71J2105</u>	<u>80B5665</u>
U14 <u>18903</u>	13 <u>78C0837</u>	<u>85D0749</u>
COOLING FAN #1 <u>73C55</u>	14 <u>69E2911</u>	<u>79E3710</u>
COOLING FAN #2 <u>71K75</u>	15 <u>72L1735</u>	<u>79C1197</u>
COOLING FAN #3 <u>71K77</u>	16 <u>79A5109</u>	<u>85B4022</u>

AIR COMP. MODEL 6W08-H-S S/N 600-474 STAMP HEADS SAME NUMBER

AUX GENERATOR 10KH  10KH S/N 62G53  
 DYN. BRAKE FAN #1 71K31 #2 72G55  
 RH GRID #1 79M052 LH GRID #1 79M051  
 RH GRID #2 18736 LH GRID #2 SDW-62  
 RH GRID #3 9748H48BEK LH GRID #3 92G-54  
 TRUCK #1 PART # 8383209 S/N 67-12-1047 CYL  HI  LOW  
 TRUCK #2 PART # 8383209 S/N 67-12-1050 CYL  HI  LOW

MODEL	SERIAL #
#1 TRACTION MOTOR <u>D78</u>	<u>79B742307</u>
#2 TRACTION MOTOR <u>D77B</u>	<u>84DC-9160</u>
#3 TRACTION MOTOR <u>D78B</u>	<u>86LB-9118</u>
#4 TRACTION MOTOR <u>D77B</u>	<u>81F3-6085</u>
#5 TRACTION MOTOR <u>D77B</u>	<u>80D1-1195</u>
#6 TRACTION MOTOR <u>D77B</u>	<u>88C0-9148</u>

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ACCEPTED BY \_\_\_\_\_

DATE \_\_\_\_\_

VERIFIED BY Robbie Miller

DATE 7-27-92

HRE V.P. CERTIFIES \_\_\_\_\_

DATE \_\_\_\_\_

LOCOMOTIVE SERIAL NUMBER LIST

FILE COPY

ROAD NO. 6512 MODEL SD-45-M  
 FRAME NO. 5773-15 H.V.  YES  NO DYNAMIC  YES  NO  
 ENGINE MODEL 16-645-E3

SERIAL #	HEAD S/N	LINER S/N
TAG # <u>ER-16ED3A-L-74-1460-0</u>	01 <u>76G2927</u>	<u>72B7282</u>
BLOCK # <u>16E 70H155</u>	02 <u>75K04549</u>	<u>75B6801</u>
TURBO <u>86-A2-A14</u>	03 <u>76E2753</u>	<u>72B4709</u>
GOVERNOR <u>2234181</u>	04 <u>80M4292</u>	<u>76B6003</u>
HI WATER PUMP <u>AC15688</u>	05 <u>76A1574</u>	<u>20J2176</u>
LI WATER PUMP <u>RB31</u>	06 <u>76A3136</u>	<u>72C4476</u>
HB & PC PUMP <u>L72K13</u>	07 <u>78C5118</u>	<u>76C2041</u>
SCAVENGING PUMP <u>550213</u>	08 <u>76G3047</u>	<u>74C5965</u>
TURBO LUBE PUMP <u>C994A-C-79</u>	09 <u>843909</u>	<u>0779629</u>
FUEL PUMP <u>C994A2-D-88</u>	10 <u>92G74</u>	<u>73J3863</u>
OIL COOLER ASY <u>92G38</u>	11 <u>Y62493</u>	<u>74L5032</u>
ARIO <u>73K1-1104</u>	12 <u>87M2907</u>	<u>74L7770</u>
D14 <u>22849</u>	13 <u>845543</u>	<u>74A1432</u>
COOLING FAN #1 <u>68W75</u>	14 <u>8362397</u>	<u>74A9126</u>
COOLING FAN #2 <u>07AH120</u>	15 <u>81H6540</u>	<u>74A08290</u>
COOLING FAN #3 <u>71K29</u>	16 <u>92G75</u>	<u>76A2678</u>

AIR COMP. MODEL 6WBG-H-5 S/N 3-18-74H2 STAMP HEADS SAME NUMBER  
 AUX GENERATOR 10KW  18KW S/N 88-HC-9001

DYN. BRAKE FAN #1 <u>78A55</u>	#2 <u>92G39</u>		
RH GRID #1 <u>86A007</u>	LH GRID #1 <u>86A006</u>		
RH GRID #2 <u>86A005</u>	LH GRID #2 <u>6743H43B</u>		
RH GRID #3 <u>92G40</u>	LH GRID #3 <u>92G41</u>		
TRUCK #1 PART # <u>8400012</u>	S/N <u>70-G2-1031</u>	CYL <input checked="" type="checkbox"/> HI	LOW
TRUCK #2 PART # <u>8400012</u>	S/N <u>70-G2-1032</u>	CYL <input checked="" type="checkbox"/> HI	LOW

MODEL	SERIAL #
#1 TRACTION MOTOR <u>B77B</u>	<u>68A2-1058</u>
#2 TRACTION MOTOR <u>B77B</u>	<u>87EC-9080</u>
#3 TRACTION MOTOR <u>B77B</u>	<u>66D2-1103</u>
#4 TRACTION MOTOR <u>B77B</u>	<u>55A-285</u>
#5 TRACTION MOTOR <u>B77B</u>	<u>17E1-046</u>
#6 TRACTION MOTOR <u>D77B</u>	<u>80B-8017</u>

BOTH PARTIES ACKNOWLEDGE, THE ABOVE EQUIPMENT SERIAL NUMBER INFORMATION, IS AS STATED.

ACCEPTED BY \_\_\_\_\_ DATE \_\_\_\_\_

VERIFIED BY Robbie Miller DATE 7-23-92

NRE V.P. CERTIFIES \_\_\_\_\_ DATE \_\_\_\_\_

# FILE COPY

## LOCOMOTIVE SERIAL NUMBER LIST

ROAD NO. 6536 MODEL SD-40  
 FRAME NO. 5773-3 H.U.  YES  NO DYNAMIC  YES  NO  
 ENGINE MODEL 16-645-E3

SERIAL #	HEAD S/N	LINER S/N
TAG #	01 73F3450	71J7946
BLOCK # 16E	02 82C3576	71E8041
TURBO	03 71M2417	70A2325
GOVERNOR	04 82C3818	73C1983
RH WATER PUMP	05 79319454	8A6421
LH WATER PUMP	06 77A43040	69M8025
HB & PC PUMP	07 73F3333	69K6200
SCAVENGING PUMP	08 75K04469	76J2701
TURBO LUBE PUMP	09 87G2440	68L3481
FUEL PUMP	10 71A5731	71J5699
OIL COOLER ASY	11 77A1656	88H7662
ARIO	12 83M2047	74D3714
D14	13 80L2964	69C2496
COOLING FAN #1	14 83M0441	79M8267
COOLING FAN #2	15 81A3320	66L2296
COOLING FAN #3	16 79F3646	69C6576

AIR COMP. MODEL 6WAG-H-S S/N 524339 STAMP HEADS SAME NUMBER  
 AUX GENERATOR 10KW  18KW S/N 880-8400  
 DYN. DRAKE FAN #1 71F36 #2 70F95  
 RH GRID #1 92G46 LH GRID #1 92G43  
 RH GRID #2 92G47 LH GRID #2 92G44  
 RH GRID #3 92G48 LH GRID #3 92G45  
 TRUCK #1 PART # 8400012 S/N 4809 CYL  HI  LOW  
 TRUCK #2 PART # 8400012 S/N 5386 CYL  HI  LOW

MODEL	SERIAL #	
#1 TRACTION MOTOR	<u>D77</u>	<u>54F167</u>
#2 TRACTION MOTOR	<u>D77B</u>	<u>78K11448</u>
#3 TRACTION MOTOR	<u>D77B</u>	<u>80F1-1261</u>
#4 TRACTION MOTOR	<u>D77B</u>	<u>67C2-1177</u>
#5 TRACTION MOTOR	<u>D77</u>	<u>72G2-1276</u>
#6 TRACTION MOTOR	<u>D77</u>	<u>74J1139</u>

BOTH PARTIES ACKNOWLEDGE, THE ABOVE EQUIPMENT SERIAL NUMBER INFORMATION, IS AS STATED.

ACCEPTED BY \_\_\_\_\_  
 VERIFIED BY Robbie Miller  
 NRE V.P. CERTIFIES \_\_\_\_\_

DATE \_\_\_\_\_  
 DATE 7-27-92  
 DATE \_\_\_\_\_

LOCOMOTIVE SERIAL NUMBER LIST

FILE COPY

ROAD NO. 6567 MODEL SD-40  
 FRAME NO. 5794-25 H.V.  YES  NO DYNAMIC  YES  NO  
 ENGINE MODEL 16-645-F3

SERIAL #	HEAD S/N	LINER S/N
TAG # <u>74-B3-7012</u>	01 <u>70A3767</u>	<u>72J3250</u>
BLOCK # 1GE <u>70E441</u>	02 <u>71B5051</u>	<u>71G2940</u>
TURBO <u>88-63-T0468</u>	03 <u>72J4683</u>	<u>71C5020</u>
GOVERNOR <u>2209252</u>	04 <u>73H5839</u>	<u>72L2733</u>
RH WATER PUMP <u>R75F129</u>	05 <u>76C5087</u>	<u>72A9890</u>
LH WATER PUMP <u>R77H32</u>	06 <u>72J4125</u>	<u>72E2108</u>
MB & IC PUMP <u>73E37</u>	07 <u>72B5434</u>	<u>75K6376</u>
SCAVENGING PUMP <u>82K352</u>	08 <u>73D1953</u>	<u>71A8009</u>
TURBO LUBE PUMP <u>92G28</u>	09 <u>72E5098</u>	<u>72D19140</u>
FUEL PUMP <u>994A1</u>	10 <u>72G1061</u>	<u>68C4144</u>
OIL COOLER ASY <u>92G27</u>	11 <u>74K3843</u>	<u>71G5434</u>
ARIU <u>67-F2-1023</u>	12 <u>72G4900</u>	<u>71B5757</u>
D14 <u>21131</u>	13 <u>69C6155</u>	<u>72J0408</u>
COOLING FAN #1 <u>71C40</u>	14 <u>77F0858</u>	<u>87K6330</u>
COOLING FAN #2 <u>66F45</u>	15 <u>73C4188</u>	<u>73V5162</u>
COOLING FAN #3 <u>71L35</u>	16 <u>74C1570</u>	<u>71A8009</u>

AIR COMP. MODEL 40006 W/6HS S/N 464300 STAMP HEADS: SAME NUMBER  
 AUX GENERATOR 10KW  10KW S/N 3138172

DYN. BRAKE FAN #1 <u>70B3300B</u>	#2 <u>71L54</u>		
RH GRID #1 <u>07837</u>	LH GRID #1 <u>6743H44B</u>		
RH GRID #2 <u>28882</u>	LH GRID #2 <u>4647438</u>		
RH GRID #3 <u>6743H48B</u>	LH GRID #3 <u>670H47</u>		
TRUCK #1 PART # <u>8400012</u>	S/N <u>5395</u>	CYL <input checked="" type="checkbox"/> HI	<input type="checkbox"/> LOW
TRUCK #2 PART # <u>8400012</u>	S/N <u>5338</u>	CYL <input checked="" type="checkbox"/> HI	<input type="checkbox"/> LOW

	MODEL	SERIAL #
#1 TRACTION MOTOR	<u>D77B</u>	<u>83M36140</u>
#2 TRACTION MOTOR	<u>D77B</u>	<u>75M33016</u>
#3 TRACTION MOTOR	<u>D77B</u>	<u>80F11390</u>
#4 TRACTION MOTOR	<u>D77B</u>	<u>83HT4094</u>
#5 TRACTION MOTOR	<u>D77B</u>	<u>85G09122</u>
#6 TRACTION MOTOR	<u>D77B</u>	<u>77F21281</u>

BOTH PARTIES ACKNOWLEDGE, THE ABOVE EQUIPMENT SERIAL NUMBER INFORMATION, IS AS STATED.

ACCEPTED BY \_\_\_\_\_  
 VERIFIED BY Robbie Miller  
 HRE V.P. CERTIFIES \_\_\_\_\_

DATE \_\_\_\_\_  
 DATE 7-22-92  
 DATE \_\_\_\_\_

W.O. 60 000

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## LOCOMOTIVE SERIAL NUMBER LIST

ROAD NO. 8316 MODEL S 5 40  
 FRAME NO. 7282-2 H.U.  YES  NO DYNAMIC  YES  NO  
 ENGINE MODEL 16-645-E3

SERIAL #	HEAD S/N	LINER S/N
TAG # <u>79-B1-1117</u>	01 <u>87A0023</u>	<u>79E7607</u>
BLOCK # <u>16E 79A46-390</u>	02 <u>87A1318</u>	<u>72L2824</u>
TURBO <u>85-F2-B10</u>	03 <u>87A1323</u>	<u>75B3460</u>
GOVERNOR <u>2.378947</u>	04 <u>78M0858</u>	<u>74E5778</u>
RH WATER PUMP <u>92G17</u>	05 <u>87A0611</u>	<u>71L8314</u>
LH WATER PUMP <u>92G18</u>	06 <u>87A1316</u>	<u>81A2525</u>
HB & IC PUMP <u>32979</u>	07 <u>87H0925</u>	<u>73F0662</u>
SCAVENGING PUMP <u>69G16</u>	08 <u>87A0590</u>	<u>72G3108</u>
TURBO LUBE PUMP <u>C974A6</u>	09 <u>34M0511</u>	<u>72L4816</u>
FUEL PUMP <u>C974A3</u>	10 <u>80H2153</u>	<u>87A4079</u>
OIL COOLER ASY <u>92G19</u>	11 <u>87A2078</u>	<u>81F0986</u>
ARIU <u>79-B1-1125</u>	12 <u>84C4743</u>	<u>74B1134</u>
D14 <u>2.83</u>	13 <u>87A1317</u>	<u>82L4625</u>
COOLING FAN #1 <u>71H46</u>	14 <u>81E3259</u>	<u>82F2098</u>
COOLING FAN #2 <u>64B55</u>	15 <u>87A0586</u>	<u>86K6017</u>
COOLING FAN #3 <u>64H102</u>	16 <u>87A0589</u>	<u>66B12820</u>

AIR COMP. MODEL 3CDBL S/N H483187 STAMP HEADS SAME NUMBER  
 AUX GENERATOR 10KW  18KW S/N 907K51

DYN. BRAKE FAN #1	#2	RH GRID #1	LH GRID #1	RH GRID #2	LH GRID #2	RH GRID #3	LH GRID #3	TRUCK #1 PART #	S/N	CYL	HI	LOW
<u>72K51</u>	<u>75J37010</u>	<u>92G20</u>	<u>92G23</u>	<u>92G21</u>	<u>92G24</u>	<u>92G22</u>	<u>92G25</u>	<u>8400012</u>	<u>69-K2-1042</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<u>8400012</u>						<u>8400012</u>	<u>69-L2-1084</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#	TRACTION MOTOR	MODEL	SERIAL #
01	TRACTION MOTOR	<u>D77B</u>	<u>90TC9001</u>
02	TRACTION MOTOR	<u>D77B</u>	<u>87HB9009</u>
03	TRACTION MOTOR	<u>D77B</u>	<u>87HC9011</u>
04	TRACTION MOTOR	<u>D78B</u>	<u>88TC9118</u>
05	TRACTION MOTOR	<u>D77B</u>	<u>89LC9009</u>
06	TRACTION MOTOR	<u>D77B</u>	<u>88MO9030</u>

BOTH PARTIES ACKNOWLEDGE, THE ABOVE EQUIPMENT SERIAL NUMBER INFORMATION, IS AS STATED.

ACCEPTED BY \_\_\_\_\_ DATE \_\_\_\_\_  
 VERIFIED BY Robbie Miller DATE 7-21-92  
 HRS V.P. CERTIFIES \_\_\_\_\_ DATE \_\_\_\_\_

LOCOMOTIVE SERIAL NUMBER LIST

FILE COPY

ROAD NO. 8390 MODEL SD-40  
 FRAME NO. 7302-5 H.U.  YES  NO DYNAMIC  YES  NO  
 ENGINE MODEL 16-645-E3

SERIAL #	HEAD S/N	LINER S/N
TAG # <u>72-L2-1057</u>	01 <u>87A1012</u>	<u>74D3393</u>
BLOCK # 16E <u>72H135T</u>	02 <u>88M0480</u>	<u>87M3839</u>
TURBO <u>87-D3-5045</u>	03 <u>87A0993</u>	<u>79D7112</u>
GOVERNOR <u>1242120</u>	04 <u>PH274481</u>	<u>74D3393</u>
RH WATER PUMP <u>WR3482</u>	05 <u>87A0786</u>	<u>85C4314</u>
LH WATER PUMP <u>8581T</u>	06 <u>85K1549</u>	<u>82B0039</u>
HD & PC PUMP <u>41C97</u>	07 <u>87A0867</u>	<u>83H0646</u>
SCAVENGING PUMP <u>92C29</u>	08 <u>87A0865</u>	<u>85D1482</u>
TURBO LUBE PUMP <u>C974A1-G-69</u>	09 <u>87A0868</u>	<u>82F4134</u>
FUEL PUMP <u>C974A2</u>	10 <u>84F2468</u>	<u>85D0276</u>
OIL COOLER ASY <u>92C30</u>	11 <u>87A0945</u>	<u>85B3456</u>
ARI0 <u>78-H3-1150</u>	12 <u>87A0967</u>	<u>83J0768</u>
D14 <u>7931</u>	13 <u>9556059</u>	<u>82A7225</u>
COOLING FAN #1 <u>79A271</u>	14 <u>82K0079</u>	<u>85B3628</u>
COOLING FAN #2 <u>69C92</u>	15 <u>72H1958</u>	<u>84B0469</u>
COOLING FAN #3 <u>71B56</u>	16 <u>86A0010</u>	<u>86A2453</u>

AIR COMP. MODEL 6WBC-H-5 S/N 476439 STAMP HEADS SAME NUMBER  
 AUX GENERATOR 10KW  10KW S/N 7E3701

DYN. BRAKE FAN #1	#2	RH GRID #1	LH GRID #1	TRUCK #1 PART #	S/N	CYL	#1	LOW
<u>92G31</u>	<u>92G30</u>	<u>59500</u>	<u>5DW61N</u>	<u>8407057</u>	<u>HU83A60027</u>	<input checked="" type="checkbox"/>		
RH GRID #2 <u>59502</u>	LH GRID #2 <u>26458</u>	RH GRID #3 <u>26457</u>	LH GRID #3 <u>66496</u>	TRUCK #2 PART # <u>8407057</u>	B/N <u>70-F2-1153</u>	CYL <input checked="" type="checkbox"/>	#1	LOW

MODEL	SERIAL #
<u>D78B</u>	<u>80JB0062</u>
<u>D78B</u>	<u>89BC9016</u>
<u>D77B</u>	<u>86MC9084</u>
<u>D77B</u>	<u>85LC9008</u>
<u>D77B</u>	<u>89BC9039</u>
<u>D78B</u>	<u>89AC9104</u>

BOTH PARTIES ACKNOWLEDGE, THE ABOVE EQUIPMENT SERIAL NUMBER INFORMATION, IS AS STATED.

ACCEPTED BY \_\_\_\_\_ DATE \_\_\_\_\_

VERIFIED BY Robbie Miller DATE 7-23-92

HRE V.P. CERTIFIES \_\_\_\_\_ DATE \_\_\_\_\_

LOCOMOTIVE SERIAL NUMBER LIST

FILE COPY

ROAD NO. 8397 MODEL SD-40  
 FRAME NO. 7172-2 N.U.  YES  NO DYNAMIC  YES  NO  
 ENGINE MODEL 16-645-E3

SERIAL #	HEAD S/N	LINER S/N
TAG # <u>70-F2-1014</u>	01 <u>81 M1752</u>	<u>81C1241</u>
BLOCK # <u>16E 70 D104</u>	02 <u>74 H0446</u>	<u>89C2373</u>
TURBO <u>87E2A26</u>	03 <u>84 E2790</u>	<u>77L4002</u>
GOVERNOR <u>2378491</u>	04 <u>84 E3423</u>	<u>79C6592</u>
RH WATER PUMP <u>R72581</u>	05 <u>71 G7766</u>	<u>7964666</u>
LH WATER PUMP <u>R86L69</u>	06 <u>77 M2307</u>	<u>81E3918</u>
MB & PC PUMP <u>71B97</u>	07 <u>22 B81</u>	<u>84E1683</u>
SCAVENGING PUMP <u>86C13</u>	08 <u>79 5046</u>	<u>81J1490</u>
TURBO LUBE PUMP <u>B675</u>	09 <u>PH270058</u>	<u>80G0229</u>
FUEL PUMP <u>C974A-B-66</u>	10 <u>75L0419</u>	<u>81C1469</u>
OIL COOLER ASY <u>7172-2</u>	11 <u>9556059</u>	<u>74E4952</u>
ARIU <u>78A3-1026</u>	12 <u>1429</u>	<u>79 M7250</u>
D14 <u>18827</u>	13 <u>80F3315</u>	<u>79B7618</u>
COOLING FAN #1 <u>69E59</u>	14 <u>81E0660</u>	<u>81D0906</u>
COOLING FAN #2 <u>69E58</u>	15 <u>M2424</u>	<u>74K3944</u>
COOLING FAN #3 <u>69E56</u>	16 <u>84C0627</u>	<u>81A1339</u>

AIR COMP. MODEL 3WB0-H-5 S/N HU72986 STAMP HEADS SAME NUMBER  
 AUX GENERATOR 10KW  18KW S/N 85H3-5009  
 DYN. BRAKE FAN #1 88LC9082 #2 88LC9089  
 RH GRID #1 50642 LH GRID #1 50639  
 RH GRID #2 50654 LH GRID #2 50641  
 RH GRID #3 92664 LH GRID #3 59707  
 TRUCK #1 PART # 8400012 S/N 3797 CYL  HI  LOW  
 TRUCK #2 PART # 8400012 S/N 2696101 CYL  HI  LOW

#	TRACTION MOTOR	MODEL	SERIAL #
#1	TRACTION MOTOR	<u>D77B</u>	<u>88AC9082</u>
#2	TRACTION MOTOR	<u>D78B</u>	<u>88AC9079</u>
#3	TRACTION MOTOR	<u>D77B</u>	<u>9AC9049</u>
#4	TRACTION MOTOR	<u>D77B</u>	<u>89FC9006</u>
#5	TRACTION MOTOR	<u>D77B</u>	<u>88AC9081</u>
#6	TRACTION MOTOR	<u>D78B</u>	<u>88AB9059</u>

BOTH PARTIES ACKNOWLEDGE, THE ABOVE EQUIPMENT SERIAL NUMBER INFORMATION, IS AS STATED.

ACCEPTED BY \_\_\_\_\_ DATE \_\_\_\_\_  
 VERIFIED BY Robbie Miller DATE 7-28-92  
 NRE V.P. CERTIFIES \_\_\_\_\_ DATE \_\_\_\_\_

CONTRACT OF COMMERCIAL LEASEHOLD OF LOCOMOTIVES, CELEBRATED BETWEEN FERROCARRILES NACIONALES DE MEXICO (THE NATIONAL RAILWAYS OF MEXICO - NDEM) WHICH FROM NOW ON WILL BE DENOMINATED "THE RAILROADS", REPRESENTED IN THIS ACT BY MESSRS. LUIS GARCIA BARRIENTOS, GENERAL UNDERDIRECTOR OF MOTIVE POWER AND ROLLING STOCK, RODOLFO TAPIA ABARCA, COMMERCIAL AND SERVICES GENERAL UNDERDIRECTOR, BENJAMIN BARRIGA FERNANDEZ, GENERAL UNDERDIRECTOR OF MATERIAL RESOURCES, JUAN JOSE HUERTA CORIA, GENERAL UNDERDIRECTOR OF FINANCES, RAUL ALVAREZ ROSALES, GENERAL UNDERDIRECTOR OF OPERATIONS; AND IN THE OTHER PARTY THE COMPANY HELM FINANCIAL CORPORATION, WHICH FROM NOW ON WILL BE DENOMINATED "THE LESSOR", REPRESENTED BY MESSRS. FELIPE ZIRION QUIJANO AND RAUL PENA GARZA, IN THEIR CHARACTER OF PRESIDENT AND PROXY OF MEXICAN RAILWAY APPLIANCE COMPANY = MERACO (CIA. MEXICANA DE MATERIAL PARA FERROCARRILES, S.A. DE C.V.); BOTH PARTIES IN CONFORMITY WITH THE FOLLOWING STATEMENTS, EXHIBITS AND CLAUSES:

S T A T E M E N T S

"THE RAILROADS" STATE THAT:

- I.
- A. THEY ARE A PUBLIC DESCENTRALIZED ENTITY, CREATED BY LAW ON THE 11TH OF DECEMBER, 1948, PUBLISHED IN THE OFFICIAL NEWSPAPER OF THE FEDERATION THE 30TH OF THAT SAME MONTH AND YEAR, AND WHICH LEGAL EXISTENCE IS RECOGNIZED AND CONTINUED BY MEANS OF ITS NEW ORGANIC LAW DATED THE 5TH OF DECEMBER OF 1984, PUBLISHED IN THE OFFICIAL NEWSPAPER OF THE FEDERATION THE 14TH OF JANUARY, 1985, WHICH ESTABLISHES THAT "THE RAILROADS" ARE A PUBLIC DESCENTRALIZED ENTITY, WITH PROPRIETORSHIP AND JURIDICAL PERSONALITY OF THEIR OWN; THAT THEY HAVE AS OBJECT THE ADMINISTRATION AND OPERATION OF THE MEXICAN RAILROADS.
  - B. THE REPRESENTATIVES OF "THE RAILROADS" ARE PRESENT IN THIS ACT WITH THEIR CHARACTER OF GENERAL UNDERDIRECTORS, WITH THE FACULTIES GRANTED TO THEM BY THE CORRESPONDING JURIDICAL AND ADMINISTRATIVE DISPOSITIONS.
  - C. "THE RAILROADS" HAVE AS THEIR ESTABLISHED ADDRESS THE FOLLOWING AVENIDA JESUS GARCIA CORONA # 140, 4TH FLOOR, COLONIA BUENAVISTA, MEXICO CITY, POSTAL CODE 06388, SAME ADDRESS WHICH IS INDICATED FOR THE PURPOSES AND LEGAL EFFECTS OF THIS CONTRACT.
  - D. THEY REQUIRE THE LEASING OF 15 (FIFTEEN) DIESEL ELECTRICAL LOCOMOTIVES, MODEL SD40, IN ORDER TO ADEQUATELY RENDER THE RAILROAD TRANSPORTATION SERVICE WHICH IS REQUESTED FROM THEM, SPECIFICALLY TO RESPOND TO REQUISITION NUMBER

NDEMLOCOS

- E. THE GENERAL UNDERDIRECTION OF MATERIAL RESOURCES WILL ADMINISTER THIS CONTRACT, AND WILL GRANT POWER TO WHOM REPRESENT THIS UNDERDIRECTION FOR THE SUPERVISION, FOLLOW-UP AND PROCEDURES TO BE EFFECTED DURING THE LEASING PERIOD.

II -

"THE LESSOR" STATE THAT:

- A. THEY ARE A COMPANY OF U.S.A. NATIONALITY, LEGALLY CONSTITUTED, AND WHO WILL PROVE THEIR EXISTENCE AND PERSONALITY THROUGH A DOCUMENT ISSUED BY A COMPETENT AUTHORITY, DULY NOTARIZED, VISAED BY MEXICAN CONSUL IN A PERIOD OF TIME OF NO MORE THAN 10 DAYS, COUNTED FROM THE DATE OF SIGNATURE OF THIS CONTRACT, UNDERSTANDING THAT, IF SUCH DOCUMENT IS NOT SUBMITTED, THIS INSTRUMENT WILL NOT BECOME FORMAL.
- B. THEY ARE REPRESENTED BY MR. FELIPE ZIRTON QUITJANO AND MR. RAUL PEÑA GARZA, IN THEIR CHARACTER OF PROXIES OF COMPANIA MEXICANA DE MATERIAL PARA FERROCARRILES, S.A. DE C.V. (MEXICAN RAILWAY APPLIANCE COMPANY - MERACO), REPRESENTATIVES IN MEXICO OF HELM FINANCIAL CORPORATION, WHO PROVE THEIR PERSONALITY IN THIS ACT, WITH DOCUMENTS THAT ARE ATTACHED HEREWITH AS EXHIBITS, SAME WHICH CONTAIN POWER, EXPRESS AND SUFFICIENT, NOT REVOKED, NOR ARE THEIR FACULTIES RESTRICTED, BEING THUS ABLE TO CONTRACT AND OBLIGATE THEMSELVES IN NAME OF "THE LESSOR".
- C. THEY INDICATE AS ADDRESS FOR HEARING NOTIFICATIONS, AND FOR ALL THE EFFECTS CORRESPONDING TO THIS CONTRACT, THE FOLLOWING IN THE UNITED STATES ONE EMBARCADERO CENTER, SAN FRANCISCO, CA 94111, AND IN THE MEXICAN REPUBLIC INSURGENTES SUR # 2462, ULLIA ALVARO OBREGON, 01070 MEXICO CITY.
- D. THEY ARE A COMPANY THAT HAVE THE EXPERIENCE AND PRESTIGE FOR THE LEASING OF DIESEL LOCOMOTIVES, AND THAT THEY HAVE AVAILABLE DIESEL ELECTRICAL LOCOMOTIVES, IN OPERATION, THUS THEY COUNT WITH ALL THE NECESSARY ELEMENTS IN ORDER TO EFFECT THE LEASING OF LOCOMOTIVES, REQUIRED BY "THE RAILROADS".
- E. THEY KNOW AND ACCEPT ALL THE TERMS OF REFERENCE, THE SPECIFICATIONS AND THE AGREED COSTS OF THE LEASING, CONTAINED IN THIS CONTRACT AND IN THE DOCUMENTATION THAT IS INTEGRATED TO THIS CONTRACT AS EXHIBITS.

NDDEML0005

- F. THEY KNOW AND SUBMIT THEMSELVES IN FULL TO THE STIPULATIONS OF THE LAW OF ACQUISITIONS, LEASINGS AND RENDERING OF SERVICES RELATED WITH CHATTEL IN MEXICO. AND IN THE DISPOSITIONS APPLICABLE TO THIS CONTRACT.
- G. THE REPRESENTATIVE IN MEXICO OF "THE LESSOR" WHO WILL ADMINISTER THIS CONTRACT. AND WILL GIVE POWER TO WHOM REPRESENT THEM IN THE SUPERVISION, FOLLOW-UP AND PROCEDURES TO BE EFFECTED DURING THE LEASING PERIOD.

DEFINITIONS:

A. CONTRACT.-

IT IS THE INSTRUMENT, TOGETHER WITH ALL ITS EXHIBITS AND INCLUDED DOCUMENTS, DULY SIGNED, IN WHICH IT IS CONFIRMED THE AGREEMENT OF WILLS OF "THE RAILROADS" AND "THE LESSOR".

B. GOODS.-

15 (FIFTEEN) DIESEL ELECTRICAL LOCOMOTIVES. GENERAL MOTORS BRAND. MODEL 50-40, OFFERED BY "THE LESSOR". WITH THE SPECIFICATIONS AND CHARACTERISTICS THAT WILL BE MENTIONED IN THE RECEPTION ACTS OF LOCOMOTIVES. AND WHICH WILL BE INTEGRATING PART OF THIS CONTRACT AS THEY ARE FORMULATED. THE REFERENCE ACTS WILL BE COMPRISED IN EXHIBIT TWO OF THIS INSTRUMENT.

C. AMOUNT OF THE CONTRACT.-

TOTAL AMOUNT OF THE LEASING BETWEEN "THE RAILROADS" AND "THE LESSOR".

D. DELIVERY SITE.-

PLACE WHERE "THE RAILROADS" WILL RECEIVE FROM "THE LESSOR", THE "GOODS" REFERRED TO IN THIS CONTRACT.

E. DELIVERY PROGRAM.-

CALENDAR OF SUPPLY OF THE "GOODS", DETAILS OF WHICH APPEAR IN EXHIBIT THREE OF THIS CONTRACT.

F. INSPECTION AUTHORITY.-

PHYSICAL PERSONS OR COMPANIES APPOINTED BY "THE RAILROADS" IN ORDER TO INSPECT THE CONDITIONS UNDER WHICH THE "GOODS", OBJECT OF THIS CONTRACT, WILL BE RECEIVED.

NUMEROS:

## G. COMMUNICATIONS.--

THE CORRESPONDENCE AND ANY OTHER DOCUMENTATION INTERCHANGED BETWEEN "THE RAILROADS" AND "THE LESSOR".

## H. MAJOR FAILURE.--

THE ANOMALIES THAT MAY BE SHOWN BY THE DIESEL ENGINE, THE ALTERNATOR, THE TURBO, THE TRUCKS, THE WHEELS, TRACTION ENGINES, GEAR TRAIN.

## I. AVAILABILITY.--

IT IS UNDERSTOOD AS AVAILABILITY, THE AVERAGE OF AVAILABILITY PER LOCOMOTIVE, OBTAINED IN A PERIOD OF 30 (THIRTY) DAYS.

EXHIBITS:

- |               |   |
|---------------|---|
| EXHIBIT ONE.  | LIST OF COMPONENTS THAT "THE LESSOR" MUST HAVE IN STOCK, AT "THE RAILROADS" WAREHOUSES. |
| EXHIBIT TWO.  | MINIMUM CHARACTERISTICS THAT MUST BE COVERED BY THE LOCOMOTIVES.                        |
| EXHIBIT THREE | RECEPTION ACTS OF THE "GOODS".  |

HAVING THE AFOREMENTIONED BEEN ESTABLISHED, THE CONTRACTING PARTIES STATE THEIR CONFORMITY IN FULL IN ASSUMING THE RIGHTS AND OBLIGATIONS THAT THEY ACQUIRE, THROUGH THE CELEBRATION OF THIS CONTRACT, SUBJECT TO THE FOLLOWING.

CLAUSES:OBJECT OF THE CONTRACT:--

## FIRST.--

THE OBJECT OF THIS CONTRACT IS THE LEASING FROM "THE LESSOR" TO "THE RAILROADS", OF 15 (FIFTEEN) DIESEL ELECTRICAL LOCOMOTIVES, GENERAL MOTORS BRAND, MODEL SD40 OF 3,000 NOMINAL HORSE POWER, SIX AXLES AND SHORT NOSE, AS WELL AS ALL THE NECESSARY SAFETY COMPONENTS IN ORDER TO BE OPERATED IN MEXICO BY THE SAME "RAILROADS".

THIS CONTRACT WILL BE RULED IN ACCORDANCE WITH THE PROCEDURES, ESTABLISHED IN SUCH RESPECT.

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OF THE PRICE. -

## SECOND. -

- A. "THE RAILROADS" WILL PAY, FOR THE CONCEPT OF LEASING TO "THE LESSOR", FOR EACH LOCOMOTIVE OF 3,000 NOMINAL HORSE POWER AND SHORT NOSE, PER DAY, THE AMOUNT OF US\$375.00 (THREE HUNDRED AND SEVENTY FIVE DOLLARS, 00/100 U.S. CURRENCY) PER MONTH, IF THE AVERAGE OF MONTHLY AVAILABILITY OF THE LOCOMOTIVES GROUP IS OF AT LEAST 85% (EIGHTY-FIVE PERCENT).
- B. THE "GOODS" THAT "THE LESSOR" LEASES TO "THE RAILROADS" WILL KEEP, IN CONJUNCTION, AN AVERAGE PERCENTAGE OF MONTHLY AVAILABILITY OF 85% (EIGHTY-FIVE PERCENT). THERE WILL ALSO BE AVAILABILITY, WHEN THE LOCOMOTIVES ENTER THE SHOPS, THROUGH ANY OF THE FOLLOWING CODES: M = MENSUAL PROGRAMA (MONTHLY PROGRAM), S/C = SIN CORTE (WITHOUT CUT); S = SEMESTRAL (SIX MONTHS); MR = MENSUAL POR ACCIDENTE (MONTHLY BECAUSE OF ACCIDENT) AND MRA = MENSUAL POR ACCIDENTE CON RUEDAS PLANAS (MONTHLY BECAUSE OF ACCIDENT, WITH FLAT WHEELS), WHEN THEY ARE SUPPLIED OF DIESEL FUEL, WATER, OIL AND SAND.
- C. IF THE AVAILABILITY PERCENTAGE WOULD DIMINISH THE AFOREMENTIONED VALUE, 85% (EIGHTY-FIVE PERCENT). IN THIS SAME MEASURE OR PERCENTAGE THE PRICE OF THE LEASING WILL BE REDUCED, DURING ALL THE TIME THAT THIS SITUATION PREVAILS, AND WILL BE CALCULATED DIVIDING THE RATE OF REAL AVAILABILITY WITH THE AGREED ONE, IN CONFORMITY WITH THE FOLLOWING FORMULA OF THE COEFFICIENT OF AVAILABILITY:

$$\frac{30 - \text{TIME AT SHOPS (DAYS)}}{25.5} \times 100$$

- D. FOR THE APPLICATION OF THE PENALTY MENTIONED IN THE PREVIOUS POINT, THIS WILL BE BASED ON THE RESULTING AVERAGE OF 30 (THIRTY) DAYS, AND IF IT IS TO BE EFFECTED, IT WILL BE DEDUCTED FROM THE PENDING OF PAYMENT INVOICE. IN ANY CASE, THE DEDUCTIONS MUST BE IN CONFORMANCE WITH THE ACTS THAT WILL BE WRITTEN DOWN, FULFILLING THE FOLLOWING REQUISITE:

"THE RAILROADS" AND "THE LESSOR" WILL HAVE A WEEKLY MEETING AT THE ADDRESS OF "THE RAILROADS", IN ORDER TO DETERMINE AND ANALYZE THE CAUSES ORIGINATING THE FAILURES THAT WOULD APPEAR IN THE LOCOMOTIVES, THE AVAILABILITY PERCENTAGE, THE DISCOUNTS THAT MAY APPLY, AND THE DEFINITION OF RESPONSIBILITIES.

- E. AS FOLLOWS, IT IS STATED THE LIST OF COMPONENTS, AND THE NECESSARY TIME FOR THEIR SUBSTITUTION:

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LIST OF COMPONENTS

<u>DENOMINATION</u>	<u>QUANTITIES</u>
TURBOCHARGER	1
AIR COMPRESSOR	1
TRACTION ENGINE	2
POWER ASSEMBLY	3
GOVERNOR	1
WATER PUMP	2
INJECTORS	16
OIL PUMP	1
LUBRICATOR	1
COOLING FAN	1
VOLTAGE REGULATOR	1
AUXILIARY GENERATOR	1

F. "THE LESSOR" WILL DELIVER, FREE ON RAIL, THE LOCOMOTIVES AT THE MIDDLE OF THE INTERNATIONAL BRIDGE BETWEEN THE CITIES OF LAREDO, TX AND NUEVO LAREDO, STATE OF TAMAULIPAS, ASSUMING THE COSTS OF FREIGHT AND INSURANCE UP TO THIS POINT.

G. IN THE CASE THAT "THE LESSOR" SUPPLY "GOODS" IN A QUANTITY OF MORE THAT THE AGREED ONE, INDEPENDENTLY FROM THE RESPONSIBILITY IN WHICH IT MAY INCUR DUE TO A SUPPLY IN EXCESS, THEY WILL HAVE NO RIGHT TO CLAIM FOR THE PAYMENT OF SUCH EXCESS, UNLESS "THE RAILROADS" WOULD HAVE REQUESTED SUCH IN WRITTEN.

H. "THE LESSOR" ASSUME UNDER THEIR RESPONSIBILITY THE COST OF FREIGHT FROM SILVYS, ILLINOIS, U.S.A., TO THE MIDDLE OF THE INTERNATIONAL BRIDGE BETWEEN THE CITIES OF LAREDO, TX AND NUEVO LAREDO, STATE OF TAMAULIPAS AND VICEVERSA, COVERING AT THE SAME TIME, THE COST OF THE INSURANCE FEE OF THE TRANSPORTATION.

OF THE PAYMENT

## THIRD.

A. "THE RAILROADS" WILL PAY THROUGH BANKING TRANSFERENCE TO "THE LESSOR", AT THE BANK THAT "THE LESSOR" AFTERWARDS DESIGNATES IN WRITTEN, TO COVER THE LEASING OF THE "GOODS" SUPPLIED, IN MONTHLY BASIS AT THE DUE DATE OF EACH MONTH WITHIN THE 15 (FIFTEEN) WORKING DAYS AFTER THE DELIVERY OF THE CORRESPONDING INVOICE, AND TAKING INTO CONSIDERATION THE STIPULATIONS OF CLAUSES SECOND AND SIXTH.

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- B. "THE RAILROADS" OBLIGATE THEMSELVES TO ESTABLISH A LETTER OF CREDIT, COVERING THE EQUIVALENT OF A MONTH OF LEASING OF THE "GOODS", IN ORDER TO GUARANTEE THE PAYMENT AND DUE ACCOMPLISHMENT OF THE MONTHLY PAYMENTS AGREED IN THE ABOVE POINT, UNDER THE UNDERSTANDING THAT THIS LETTER OF CREDIT WILL ONLY BE EFFECTIVE ONCE THE PERIOD OF TIME OF 180 (ONE HUNDRED AND EIGHTY DAYS) HAD ELAPSED, COUNTED FROM THE DATE OF CELEBRATION OF THIS CONTRACT, AND ONLY IN CASE OF UNACCOMPLISHMENT OF PAYMENT OF ANY OF THE AGREED UPON MONTHLY PAYMENTS.
- C. EVEN IF THE TOTAL AMOUNT OF THE CONTRACT HAD BEEN SETTLED, "THE RAILROADS" EXPRESSLY RESERVE THEMSELVES THE RIGHT OF SUBMITTING ANY CLAIM TO "THE LESSOR" FOR PAYMENT IN EXCESS, DERIVED FROM THE LEASING, OR DEDUCTIONS FOR REPLACEMENTS IN THE "GOODS" OF COMPONENTS AND DAMAGED PARTS, BEING THESE RESPONSIBILITY OF "THE LESSOR", AS PER CLAUSES SECOND AND SIXTH OF THIS CONTRACT.

DELIVERY TIME AND SITE:--

## FOURTH,--

- A. "THE LESSOR" WILL DELIVER TO "THE RAILROADS", AT THE MIDDLE OF THE INTERNATIONAL BRIDGE BETWEEN THE CITIES OF LAREDO, TX AND NUEVO LAREDO, STATE OF TAMAULIPAS, \_\_\_\_\_ LOCOMOTIVES IN A PERIOD OF TIME OF \_\_\_\_\_ WEEKS, AND \_\_\_\_\_ LOCOMOTIVES IN A PERIOD OF TIME OF \_\_\_\_\_ WEEKS, COUNTED FROM THE DATE IN WHICH THIS CONTRACT IS SIGNED, AS LONG AS THE LETTER OF CREDIT, MENTIONED IN THE ABOVE CLAUSE, HAD BEEN ESTABLISHED.
- B. "THE LESSOR" GIVES IN LEASING EACH ONE OF THE "GOODS" FOR A PERIOD OF TIME OF 180 (ONE HUNDRED AND EIGHTY) CALENDAR DAYS, PERIOD OF TIME WHICH WILL START WITHIN THE 7 (SEVEN) CALENDAR DAYS FOLLOWING TO THE DATE IN WHICH EACH ONE OF THE "GOODS" ENTER THE MEXICAN TERRITORY, AND WILL BE TERMINATED WHEN THEY ARE DELIVERED AT THE MIDDLE OF THE MENTIONED BRIDGE.
- C. "THE RAILROADS" HAVE THE OPTION OF LEASING THE TWO LAST LOCOMOTIVES, FOR A PERIOD OF TIME OF 165 (ONE HUNDRED AND SIXTY FIVE DAYS) ONLY.
- D. "THE LESSOR" WILL DELIVER TO "THE RAILROADS" THE MECHANICAL CHARTS OF THE F.R.A. OF EACH ONE OF THE PROPOSED LOCOMOTIVES FOR LEASING, WHICH MUST ACCOMPLISH, FURTHER AS MINIMUM, WITH THE CHARACTERISTICS DESCRIBED IN EXHIBIT TWO, WITH THE PURPOSE THAT "THE RAILROADS" OFFER THE CORRESPONDING UNITS, AND WILL NOTIFY THE INITIAL AND THE NUMBER OF THE SELECTED UNITS TO BE INSPECTED AND PHYSICALLY APPROVED BY TECHNICAL PERSONNEL OF "THE RAILROADS", WITH THE PURPOSE OF DEFINING THE UNITS THAT WILL BE TAKEN UNDER LEASING.

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- E. FULFILLING THE AFOREMENTIONED, THE PARTIES WILL WRITE DOWN, IN THE CITY OF MONTERREY, STATE OF NUEVO LEON, THE ACT OF DELIVERY, ACCEPTANCE AND RECEPTION OF EACH ONE OF THE UNITS COVERED BY THIS CONTRACT, AND WILL BE SIGNED BY A REPRESENTATIVE OF BOTH PARTIES, ATTESTING IN THESE ACTS AN INVENTORY OF THE COMPONENTS AND/OR PARTS THAT ARE CONTAINED BY THE UNITS, AND THE CONDITION THEY SHOW AT SUCH MOMENT.
- F. THE RETURN OF THE "GOODS" WILL BE EFFECTED WHEN THEY ARE NOT ACCEPTED AND, IN CONSEQUENCE, RECEIVED BY "THE RAILROADS"; WHEN A MAJOR FAILURE APPEARS, NOT IMPUTABLE TO "THE RAILROADS"; WHEN THE PERIOD OF LEASING PER LOCOMOTIVE EXPIRES, AND WHEN IT IS AGREED SO BY THE PARTIES, IN WRITTEN.
- G. "THE LESSOR" WILL SUPPLY TO "THE RAILROADS", AT THE MOMENT WHEN SO IT IS REQUIRED, THE NECESSARY DOCUMENTATION IN ORDER THAT "THE RAILROADS" CAN EFFECT PROCEDURES OF PERMITS AND AUTHORIZATIONS REQUIRED BY THE MEXICAN LAWS, CONCERNING THE IMPORTATION OF THE "GOODS".
- H. AS SOON AS THE "GOODS" PASS THE CHARGE TEST, "THE LESSOR" MUST DELIVER THE NECESSARY DOCUMENTS IN ORDER TO SPEED UP THEIR INTERIATION INTO THE COUNTRY.
- I. A JOINT INSPECTION WILL BE EFFECTED BETWEEN "THE RAILROADS" AND "THE LESSOR" AT THE END OF THE LEASING TIME, WHEN THE "GOODS" ARE RETURNED TO "THE LESSOR", WITH THE OBJECT OF VERIFYING THE CONDITION OF THE LOCOMOTIVES, "THE RAILROADS" OBLIGATING THEMSELVES TO REPLACE ANY MISSING PARTS, IN ITS CASE.

### INSPECTION.

#### FIFTH.-

- A. "THE LESSOR" AGREES THAT "THE RAILROADS" INSPECT THE "GOODS", OBJECT OF THIS LEASING, IN ANY STAGE OF SAME. THE INSPECTORS WILL EXERCISE THEIR RIGHTS DURING THE NORMAL WORKING HOURS, IN SUCH A WAY AS NOT TO DELAY OR OBSTRUCT THE SERVICE OF THE LEASED "GOODS".
- B. "THE RAILROADS" WILL HAVE THE MOST AMPLE FACILITIES FOR REVIEWING THE ACCOMPLISHMENT OF THIS CONTRACT, INCLUDING SUCH REVIEWS AT THE FACILITIES OF "THE LESSOR", WHO WILL BE OBLIGATED TO ALLOW THEM THE ACCESS TO THESE FACILITIES, AND TO SUPPLY THE INFORMATION AND DOCUMENTATION REQUIRED, RELATED TO THIS CONTRACT.

MEMORIOS

GUARANTEES.-

## SIXTH.

"THE LESSOR" GUARANTEES TO "THE RAILROADS" THAT THE "GOODS" SUPPLIED FOR LEASING, ARE IN GOOD CONDITION, FREE OF FAILURES AND HIDDEN DEFECTS, AND THAT THEY WILL NOT PRESENT FAILURE DURING THE FIRST 60 (SIXTY) DAYS, AFTER THE STARTING OF THE LEASING. IN CASE THAT A FAILURE APPEARS DURING SUCH PERIOD, THE LEASING OF THE LOCOMOTIVE(S) WILL BE SUSPENDED. THE AFOREMENTIONED WILL APPLY, AS LONG AS THE CONDITIONS MENTIONED IN CLAUSE NINE ARE FULFILLED.

BOND OF GENERAL ACCOMPLISHMENT OF THE CONTRACT.-

## SEVENTH.-

- A. "THE LESSOR" WILL OBTAIN, FROM A MEXICAN BONDING INSTITUTION, A BOND LEGALLY AUTHORIZED IN FAVOUR AND TO THE FULL SATISFACTION OF "THE RAILROADS", BOND WHICH WILL BE DELIVERED IN NO MORE THAN 15 (FIFTEEN) CALENDAR DAYS AFTER THE SIGNATURE OF THE CONTRACT, COVERING THE 10% (TEN PERCENT) OF US\$1'012.500.00 (ONE MILLION TWELVE THOUSAND, FIVE HUNDRED DOLLARS, 00/100 U.S. CURRENCY); THAT IS, IN THE AMOUNT OF US\$101,250.00 (ONE HUNDRED AND ONE THOUSAND, TWO HUNDRED AND FIFTY DOLLARS, 00/100 U.S. CURRENCY) WHICH IS THE AMOUNT OF THE LEASING OF 15 (FIFTEEN) LOCOMOTIVES, FOR THE PERIOD OF TIME OF 180 (ONE HUNDRED AND EIGHTY) DAYS; INSTRUMENT WHICH MUST GUARANTEE THE ACCOMPLISHMENT OF ALL AND EACH ONE OF THE OBLIGATIONS AGREED UPON IN THIS CONTRACT.
- B. AS LONG AS "THE LESSOR" DOES NOT SUBMIT THE AGREED BOND, WITHIN THE PERIOD INDICATED IN THE PREVIOUS POINT, AND WITH THE REQUIREMENTS INDICATED IN POINTS, 1, 2, 3, 4, 5 AND 6 OF POINT C) OF THIS CLAUSE, THE CONTRACT WILL NOT BE PERFECTED AND SO, IT WILL HAVE NO EFFECT WHATSOEVER.
- C. THE BOND MUST FULFILL THE FOLLOWING REQUIREMENTS:
- C.1 WILL BE GRANTED IN FOREIGN CURRENCY.
  - C.2 WILL BE ISSUED IN ACCORDANCE WITH THE TERMS OF THIS CONTRACT, IN ORDER TO GUARANTEE IN FAVOUR OF "THE RAILROADS" ALL AND EACH ONE OF THE AGREED UPON OBLIGATIONS WITH "THE LESSOR", COPY OF WHICH MUST BE ATTACHED AS PART OF THE BOND.
  - C.3 HAVE A VALIDITY FOR ALL THE LEASING PERIOD OF THE "GOODS", OBJECT OF THIS CONTRACT, IN ORDER TO RESPOND TO ANY RESPONSIBILITY RESULTING IN CHARGE OF "THE LESSOR", AND IN FAVOUR OF "THE RAILROADS".

MEMORANDUM

- C.4 IN THE CASE THAT THE PERIOD OF SUPPLY OF THE "GOODS" COVERED BY THE BOND IS EXTENDED, OR IF THERE IS A DELAY, ITS VALIDITY WILL BE EXTENDED AUTOMATICALLY. IN ACCORDANCE WITH SUCH EXTENSION OR DELAY.
- C.5 INCLUDE IN THE BOND, STATEMENT THAT IT CANNOT BE CANCELLED WITHOUT THE EXPRESS AUTHORIZATION IN WRITTEN OF "THE RAILROADS", WHO AGREES IN FORMULATE SUCH AUTHORIZATION AS SOON AS THEY RECEIVE SUCH REQUEST, DULY JUSTIFIED FROM "THE LESSOR" AT THE END OF THE GUARANTEE PERIOD OF THE "GOODS" OBJECT OF THIS CONTRACT.
- C.6 CONTAIN EXPRESS STATEMENT OF THE BONDING INSTITUTION INDICATING THAT, IN THE CASE OF MAKING THE BOND EFFECTIVE, IT SUBMITS ITSELF EXPRESSLY TO THE PROCEDURE ESTABLISHED IN ARTICLES 95 AND 118. AND THAT IT RENOUNCES TO THE BENEFIT GRANTED TO THEM BY ARTICLE 119 OF THE FEDERAL LAW OF BONDING INSTITUTIONS, PRESENTLY RULING.
- D. IF THE MINOR FAILURES IN THE LOCOMOTIVE MAY BE IMPUTABLE TO "THE RAILROADS". THEY WILL REPLACE THE DAMAGED COMPONENTS AND/OR PARTS, AS PER THE INDICATIONS OF THE NINTH CLAUSE, POINT B) OF THIS INSTRUMENT. IF THE FAILURE IS IMPUTABLE TO "THE LESSOR", "THE RAILROADS" WILL PUT THE UNITS TO THE DISPOSITION OF "THE LESSOR", FOR ITS REPAIR, AT THE MIDDLE OF THE INTERNATIONAL BRIDGE BETWEEN THE CITIES OF LAREDO, TX AND NUEVO LAREDO, STATE OF TAMALI IPAS, IN THE CASE THAT IT IS NOT FACTIBLE TO REPAIR SUCH UNITS AT "THE RAILROADS" FACILITIES.
- E. "THE RAILROADS" WILL SUSPEND THE LEASING OF THE "GOODS" WHEN THEY PRESENT ANY FAILURE, IMPUTABLE TO "THE LESSOR", IF THE FAILURE IS NOT SERVICED WITH OPPORTUNITY, UNDER THE TERMS ESTABLISHED IN THIS CONTRACT OR IF THE FAILURE IS NOT SUSCEPTIBLE OF REPAIR.

FORTUITOUS CASES AND MAJOR FORCE.:

EIGHT.:

- A. NONE OF THE PARTIES WILL BE RESPONSIBLE TOWARDS THE OTHER BECAUSE OF DELAYS IN THE DELIVERY, OR ACCOMPLISHMENT, OR LACK OF DELIVERY OR ACCOMPLISHMENT, DUE TO DIRECT OR INDIRECT CAUSES OF MAJOR FORCE.

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B. FOR PURPOSES OF THIS CONTRACT, MAJOR FORCE WILL INCLUDE, BUT WILL NOT BE LIMITED TO, ACTS (INCLUDING FAILURES IN PERFORMANCE) OF ANY GOVERNMENT AUTHORITY (OF JURE OR DE FACTO), WARS (DECLARED OR NOT DECLARED), GOVERNMENT PRIORITIES, MUTINIES, REVOLUTION, STRIKES AND OTHER WORK DISTURBANCES, FIRES, FLOODS, SABOTAGE, NUCLEAR INCIDENTS, EARTHQUAKES, STORMS, EPIDEMICS OR INCAPACITIES DUE TO CAUSES OUT OF THE REASONABLE CONTROL OF THE PARTY IN ORDER TO OBTAIN ON TIME, EITHER THE NECESSARY AND PROPER WORKMANSHIP, MATERIALS, COMPONENTS, FACILITIES, ENERGY, FUEL, TRANSPORTATION, AUTHORIZATIONS OR GOVERNMENT INSTRUCTIONS, MATERIAL OR INFORMATION REQUIRED FROM THE OTHER PARTY, AS LONG AS THIS DIRECTLY AFFECTS THE OBLIGATIONS CONTRACTED BY THE PARTIES.

THE AFOREMENTIONED WILL BE APPLIED EVEN IF ANY OF SUCH CAUSES EXIST AT THE TIME OF CELEBRATING THIS CONTRACT, OR IF THEY MAY OCCUR AFTER THE ACCOMPLISHMENT OF THE OBLIGATION FROM THE PARTY, IS DELAYED BY OTHER CAUSES.

C. THE AFFECTED PARTY WILL NOTIFY THE OTHER PARTY OF ANY DELAY OR FAILURE, AND WILL SPECIFY THE REVISED DATE OF DELIVERY OR ACCOMPLISHMENT AS SOON AS IT IS POSSIBLE. IN CASE OF SUCH DELAY, THERE WILL BE NO TERMINATION, AND THE DELIVERY DATE OR ACCOMPLISHMENT WILL BE EXTENDED, FOR A PERIOD EQUAL TO THE LOST TIME, BECAUSE OF DELAY.

D. IF THE DELAY DUE TO FORTUITOUS CASES AND MAJOR FORCE IS EXTENDED IN MORE THAN AN (SIXTY) DAYS, AND THE PARTIES HAVE NOT REACHED AN AGREEMENT ON A BASIS OF REVISION IN ORDER TO CONTINUE WITH THE WORK AT THE END OF THE DELAY, THEN ANY OF THE PARTIES, THROUGH ANTICIPATED NOTICE OF 30 (THIRTY) DAYS, CAN TERMINATE THIS CONTRACT WITH RESPECT TO THE NOT EXECUTED PORTION OF THE WORK.

E. IF ANY OF THE PARTIES DECIDE TO TERMINATE THE CONTRACT DUE TO THE CAUSES MENTIONED IN THIS CLAUSE, BOTH PARTIES ARE IN AGREEMENT THAT THEY WILL NOT CLAIM DAMAGES AND PREJUDICES, AND THAT THEY WILL AGREE ON A QUITTANCE, WITH SUPPORT IN THE EQUITY, LEAVING ALWAYS "THE RAILROADS" IN CAPACITY OF PROCURING THEMSELVES THE "GOODS" OBJECT OF THIS CONTRACT, WITH NO PROPRIETORSHIP DAMAGE

F. IN THE EVENT OF A SUSPENSION OF PAYMENT IN THE PART OF THE GOVERNMENT OF THE MEXICAN UNITED STATES, NOT ALLOWING "THE RAILROADS" TO EFFECT THE PAYMENT OF THE LEASING, AS PER AGREEMENT INDICATED IN THE CLAUSE OF THIS INSTRUMENT, UPON REQUEST OF "THE LESSOR" THE LOCOMOTIVES WILL BE RETURNED WITHIN THE FOLLOWING 15 (FIFTEEN) DAYS, IN THE TERMS THAT ARE AGREED UPON, WITH NO RESPONSIBILITY FROM "THE RAILROADS".

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RESPONSIBILITIES OF "THE RAILROADS" AND "THE LESSOR".-

## NINTH.-

"THE RAILROADS" OBLIGATE THEMSELVES TO SUPPLY THE NORMAL MAINTENANCE TO THE "GOODS", IN CONFORMITY WITH THEIR MAINTENANCE PROGRAMS, AND ALSO OBLIGATE THEMSELVES TO OPERATE IN ADEQUATE WAY, THE "GOODS" TAKEN UNDER LEASING.

- A. THE GROUP OF LOCOMOTIVES MUST BE ASSIGNED TO A SPECIFIC REGION, PREFERABLY BETWEEN TWO DETERMINED CITIES THAT COULD BE MONTERREY AND MEXICO CITY, ASSIGNING THEIR PROGRAMMED MAINTENANCES AND EVENTUAL REPAIRS TO ONLY ONE SHOP PREVIOUSLY DETERMINED. THAT COULD BE THE SHOPS IN THE VALLEY OF MEXICO, OR IN SAN LUIS POTOSI, STATE OF SAN LUIS POTOSI.
- B. "THE RAILROADS" WILL ONLY APPLY TO THE GROUP OF LOCOMOTIVES. IN CASE IT IS NECESSARY, SPARE PARTS SUPPLIED BY "THE LESSOR" FOR SUCH EFFECT, OR THOSE THAT ARE AUTHORIZED BY THEIR SERVICE REPRESENTATIVES.
- C. THE SERVICE REPRESENTATIVES APPOINTED BY "THE LESSOR" WILL HAVE FACILITIES FOR REMOVING ANY LOCOMOTIVE FROM THE SERVICE, IF THEY DEEM THAT IT SHOULD BE SENT TO THE SHOPS.
- D. THE PROGRAMMED MAINTENANCE OF THE GROUP OF LOCOMOTIVES MUST BE STRICTLY CARRIED OUT, PREFERABLY UNDER THE SUPERVISION OF THE PERSONNEL OF "THE LESSOR" (SERVICE ENGINEERS), AND THE INSPECTIONS MUST NOT BE DELAYED MORE THAN 48 (FORTY-EIGHT) HOURS AFTER THE TERMINATION OF THE PROGRAM.

## TENTH.-

THE LEASING OF THE "GOODS" WILL BE SUSPENDED, WHEN THEY SUFFER FAILURES NOT IMPUTABLE TO "THE RAILROADS".

- A. WHEN THE NUMBER OF THE "GOODS" IN SERVICE ARE REDUCED, BECAUSE OF LOCOMOTIVES WITH FAILURES THAT CANNOT BE REPAIRED DUE TO LACK OF COMPONENTS, PARTS AND/OR SPARE PARTS.
- B. WHEN THE NUMBER OF THE "GOODS" IN SERVICE ARE REDUCED, IN LESS THAN 50% (FIFTY PERCENT) OF AVAILABILITY DUE TO RETURN OF UNITS BECAUSE OF FAILURE IN THE DIESEL MOTOR, AND/OR THE MAIN GENERATOR, AND/OR SINISTER, AND/OR WHEN THE LEASING PERIOD AS LONG AS THE UNITS ARE PLACED AT THE MIDDLE OF THE INTERNATIONAL BRIDGE BETWEEN THE CITIES OF NUEVO LAREDO, STATE OF TAMAUlipAS AND LAREDO, TX.

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- C. IF THE FAILURES PRESENTED BY THE "GOODS" ARE IMPUTABLE TO "THE RAILROADS", THE PAYMENT OF THE LEASING WILL NOT BE SUSPENDED, AND "THE RAILROADS" WILL REPLACE AND REPAIR BY ITS OWN ACCOUNT AND COST, THE DAMAGED PARTS, AND WILL PERFORM THE CORRESPONDING REPAIR, WITH NO CHARGE TO "THE LESSOR". IN CASE THAT SUCH FAILURES COULD NOT BE REPAIRABLE BY "THE RAILROADS", IN 8 CALENDAR DAYS THE PARTIES WILL REACH AN AGREEMENT IN ORDER TO NEGOTIATE THE PAYMENT OF THE REPAIR IN NO MORE THAN 8 DAYS, DATE FROM WHICH "THE RAILROADS" WILL RETURN THE "GOOD". IN A PERIOD OF TIME OF NO MORE THAN 8 DAYS, AT THE MIDDLE OF THE INTERNATIONAL BRIDGE BETWEEN THE CITIES OF LAREDO, TX AND NUEVO LAREDO, STATE OF TAMAUULIPAS.
- D. THE RETURN OF THE UNITS, DUE TO MAJOR FAILURE AND/OR SINISTER (BURNT OUT OR ACCIDENT).

## ELEVENTH.-

"THE RAILROADS" AND "THE LESSOR" IN MUTUAL AGREEMENT WILL DETERMINE THE CAUSES THAT ORIGINATED A FAILURE. SIGNING IN EACH CASE, THE CORRESPONDING ACT.

## TWELVTH.-

IN THE CASE OF THE TOTAL LOSS OF ANY LOCOMOTIVE, DUE TO CAUSES IMPUTABLE TO "THE RAILROADS", THEY WILL PAY TO "THE LESSOR" THE AMOUNT OF US\$450,000.00 (FOUR HUNDRED AND FIFTY THOUSAND DOLLARS, 00/100 U.S. CURRENCY) FOR SUCH UNIT; AT THE MOMENT OF THE LOSS, THE LEASING THAT SUCH LOCOMOTIVE CAUSES, WILL NOT BE INTERRUPTED, BUT UNTIL THE MOMENT THAT "THE RAILROADS" COVER TO "THE LESSOR" THE TOTAL LOSS. THIS VALUE CAN BE REVISED BY "THE RAILROADS", WITH BASIS ON THE PHYSICAL INSPECTION AND THE TESTS EFFECTED TO THE "GOODS". IN THIS CASE, "THE RAILROADS" AND "THE LESSOR" MUST REACH A MUTUAL AGREEMENT IN A MAXIMUM PERIOD OF TIME OF 8 (EIGHT) DAYS. THE CLAIM ON THE VALUE OF THE UNITS CAN ONLY BE EFFECTED WITHIN THE 60 (SIXTY) DAYS AFTER THE SIGNATURE OF THIS CONTRACT.

TAXES AND RESPONSIBILITIES FOR DAMAGES.-

## THIRTEENTH.

"THE LESSOR" ASSUME THE PAYMENT OF ALL THE TAXES, IMPORTATION DUTIES, FEES OR CHARGES OF ANY NATURE, TAXES BY ANY AUTHORITY OF THE GOVERNMENT OF THE U.S.A.. LIKEWISE, "THE RAILROADS" ASSUME THE PAYMENT OF ALL TAXES AND DUTIES GENERATED WITHIN THE MEXICAN REPUBLIC, AS WELL AS ALL THE RISKS AND RESPONSIBILITIES INHERENT TO THE OPERATION OF THE "GOODS" GIVEN IN LEASING.

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CESSION OF RIGHTS AND OBLIGATIONS.-

## FOURTEENTH.-

THE RIGHTS AND OBLIGATIONS DERIVED FROM THIS CONTRACT, CANNOT BE GIVEN IN CESSION. NEITHER PARTIALLY NOR TOTALLY IN FAVOUR OF ANY OTHER PHYSICAL PERSON OR COMPANY.

ADDITIONS AND AMENDMENTS.-

## FIFTEENTH.-

IN THE CASE THAT THE PARTIES CONSIDER THAT THERE EXIST TECHNICAL REASONS FOR MODIFYING THE CONDITIONS AND MODALITIES ESTABLISHED IN THIS CONTRACT. THEY WILL CELEBRATE AN ADDITIONAL AGREEMENT IN WHICH SUCH MODIFICATIONS ARE STATED.

LANGUAGE.-

## SIXTEENTH.-

THE PARTIES AREE THAT, FOR ALL THE REFERENT, CONNECTED OR DERIVED FROM THIS CONTRACT, ITS TEXT IN SPANISH LANGUAGE WILL RULE AND IN CONSEQUENCE, ANY TRANSLATION OR VERSION IN ANY OTHER LANGUAGE WILL HAVE NO OFFICIAL CHARACTER, NEITHER WILL IT BE LEGALLY VALID. ALL COMMUNICATIONS, NOTIFICATIONS OR NOTICES THAT THE PARTIES INTERCHANGE BETWEEN THEMSELVES, MUST BE ADDRESSED PRECISELY IN WRITTEN WITH ACKNOWLEDGEMENT OF RECEIPT IN SPANISH AND ENGLISH LANGUAGES, TO THE RESPECTIVE REPRESENTATIVES, AND TO THE ACCREDITED ADDRESSES, IN ACCORDANCE WITH THIS CONTRACT. THE CHANGES OF ADDRESSES MUST BE NOTIFIED IN WRITTEN BETWEEN THE PARTIES, IN A PERIOD OF TIME OF NO MORE THAN 15 DAYS. THE OMISSION OF THE AFOREMENTIONED WILL CAUSE THAT, ANY ADDRESS HEREIN AGREED, WILL BE CONSIDERED AS VALID.

INTERVENTION OF STATE MINISTRIES.-

## SEVENTEENTH.-

THE STATE MINISTRIES WILL HAVE IN THIS CONTRACT, THE INTERVENTION INDICATED BY THE MEXICAN LAWS, ITS RULINGS AND THE REST OF THE APPLICABLE DISPOSITIONS.

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SANCTIONS FOR DELAY OR UNACCOMPLISHMENT.-

## EIGHTEENTH.-

"THE LESSOR" EXPRESSLY ACCEPT TO BE SANCTIONED, WITH THE FOLLOWING CONVENTIONAL PENALTIES. IN THE CASE OF:

- A. NOT TO DELIVER PARTIALLY OR TOTALLY THE "GOODS" OBJECT OF THIS CONTRACT, IN THE AGREED TIMES; THE NOT PASSING, AS MINIMUM THE 50% (FIFTY PERCENT) OF THE GOODS PROPOSED FOR LEASING, THE TEST OF CHARGE IN SITE, AND THE FAILURES OR DELAYS THAT ARE NOT CONTEMPLATED WITHIN THE PROVISIONS OF CLAUSE NINTH. IN SUCH CASE, THEY WILL PAY TO "THE RAILROADS", FOR EACH CALENDAR DAY OF DELAY, A CONVENTIONAL PENALTY OF 4 PER THOUSAND FOR EACH CALENDAR DAY OF DCLAY, FROM THE AMOUNT OF DAILY LEASING OF EACH GOOD PENDING TO BE DELIVERED, AND THE NUMBER OF DAYS CANNOT EXCEED 25.
- B. "THE RAILROADS" RESERVE THEMSELVES, IN THE SUPPOSED PROVISIONS INDICATED IN THE TEXT OF THIS CONTRACT, THE RIGHT TO DEMAND FROM "THE LESSOR" THE ACCOMPLISHMENT OF THE OBLIGATIONS ON THEIR PART, AND THE PAYMENT OF THE CONVENTIONAL PENALTIES AGREED IN THIS CONTRACT.

LEGISLATION AND JURISDICTION.-

## NINETEENTH.

- A. FOR ANYTHING RELATED TO THIS CONTRACT, THE PARTIES AGREE IN SUBMITTING THEMSELVES TO THE MEXICAN LEGISLATION. "THE LESSOR" EXPRESSLY OBLIGATE THEMSELVES NOT TO CALL FOR THE PROTECTION OF THEIR GOVERNMENT, AND FOR THE CASE IN WHICH THEY FAIL ON THIS OBLIGATION, THEY MAKE EXPRESS RESIGNATION, IN BENEFIT OF THE MEXICAN NATION, OF ALL THE RIGHTS THEY MAY OR WILL HAVE OF THIS CONTRACT.
- B. FOR THE INTERPRETATION AND ACCOMPLISHMENT OF THIS CONTRACT, AS WELL AS FOR EVERYTHING THAT IS NOT EXPRESSLY STIPULATED IN THE SAME, THE PARTIES SUBMIT THEMSELVES TO THE JURISDICTION OF THE FEDERAL COMPETENT COURTS OF MEXICO CITY, FEDERAL DISTRICT; MAKING RESIGNATION TO ANY OTHER JURISDICTION THAT, BECAUSE OF THEIR ADDRESS. PRESENT OR FUTURE, MAY CORRESPOND THEM.

NDCHLDCOS

THIS CONTRACT IS THE FREE EXPRESSION OF THE WILL OF THE PARTIES AS THERE DOES NOT EXIST ERROR, VIOLENCE, INJURY, FRAUD OR TII FAYTH AND THUS, WHEN SIGNING IT THEY RATIFY THIS CONTRACT IN ALL ITS CONTENTS. BEFORE THE PRESENCE OF THE WITNESSES THAT INTERVENE, WHO ALSO SUSCRIBE IT FOR ATTESTING, ISSUING THIS CONTRACT IN ORIGINAL, IN DUPLICATE, ONE FOR EACH OF THE PARTIES, IN MEXICO CITY, FEDERAL DISTRICT, AT THE SECOND DAY OF THE MONTH OF JULY, 1992.

BY "THE LESSOR"

BY "THE RAILROADS"

MR FELIPE ZIRTON  
PROXY

MR. LUIS GARCIA BARRIENTOS  
GENERAL UNDERDIRECTOR OF MOTIVE  
POWER AND ROLLING STOCK.

MR. RAUL PENA GARZA  
PROXY

MR. RODOLFO TAPTA ABARCA  
COMMERCIAL AND SERVICES GENERAL  
UNDERDIRECTOR.

MR. BENJAMIN BARRIGA FERNANDEZ  
GENERAL UNDERDIRECTOR OF MATERIAL  
RESOURCES.

MR. JUAN JOSE HUERTA CORTA  
GENERAL UNDERDIRECTOR OF  
FINANCES.

MR. RAUL ALVAREZ ROSALES  
GENERAL UNDERDIRECTOR OF  
OPERATIONS.

WITNESS:

WITNESS:

MR. CARLOS LOPEZ PATAN  
OPERATIVE COORDINATOR OF  
PROVISIONS.

MR. CARLOS AL CERRETA CURTEI  
ACQUISITIONS MANAGER.

MR. GUILLERMO PEREZ DE LEON S.  
MANAGER OF JURIDICAL AFFAIRS.

NDEMPLUCOS

AUGUST 6, 1992.

FIRST ADDITIONAL AGREEMENT TO CONTRACT OF COMMERCIAL LEASEHOLD OF LOCOMOTIVES NUMBER 80-5-9016-92. CELEBRATED BETWEEN FERROCARRILES NACIONALES DE MEXICO (THE NATIONAL RAILWAYS OF MEXICO - NdeM) WHICH FROM NOW ON WILL BE DENOMINATED "THE RAILROADS". REPRESENTED IN THIS ACT BY MESSRS. LUIS GARCIA BARRIENTOS, GENERAL UNDERDIRECTOR OF MOTIVE POWER AND ROLLING STOCK. RODOLFO TAPIA ABARCA, COMMERCIAL AND SERVICES GENERAL UNDERDIRECTOR. BENJAMIN BARRIGA FERNANDEZ, GENERAL UNDERDIRECTOR OF MATERIAL RESOURCES. JUAN JOSE HUERTA CORIA, GENERAL UNDERDIRECTOR OF FINANCES, RAUL ALVAREZ ROSALES, GENERAL UNDERDIRECTOR OF OPERATIONS; AND IN THE OTHER PART THE COMPANY HELM FINANCIAL CORPORATION, WHICH FROM NOW ON WILL BE DENOMINATED "THE LESSOR". REPRESENTED BY MESSRS. FELIPE ZIFION QUIJANO AND RAUL PENA GARZA. IN THEIR CHARACTER OF PROXIES OF MEXICAN RAILWAY APPLIANCE COMPANY = MERACO (CIA. MEXICANA DE MATERIAL PARA FERROCARRILES S.A. DE C.V.); BOTH PARTIES IN CONFORMITY WITH THE FOLLOWING ANTECEDENTS AND CLAUSES:

ANTECEDENTS:

"THE RAILROADS" STATE THAT:

- 1.- "THE RAILROADS" AND "THE LESSOR" CELEBRATED, ON JULY 2ND, 1992, CONTRACT # 80-5-9016-92, WHICH OBJECT IS THE LEASING OF 15 (FIFTEEN) DIESEL ELECTRICAL LOCOMOTIVES, GENERAL MOTORS BRAND, MODEL SD-40 OF 3,000 NOMINAL HORSE POWER, SIX AXLES AND SHORT NOSE, AS WELL AS ALL THE SAFETY COMPONENTS IN ORDER TO BE OPERATED IN THE MEXICAN REPUBLIC, BY THE SAME "RAILROADS".
- 2.- THE TOTAL AMOUNT OF THE LEASING WAS AGREED IN US\$1,012,500.00 (ONE MILLION, TWELVE THOUSAND AND FIVE HUNDRED DOLLARS, 00/100 U.S. CURRENCY).
- 3.- "THE RAILROADS" WILL PAY, UNDER THE CONCEPT OF LEASING TO "THE LESSOR" FOR EACH LOCOMOTIVE OF 3,000 NOMINAL HORSE POWER AND SHORT NOSE, PER DAY, THE AMOUNT OF US\$375.00 (THREE HUNDRED AND SEVENTY FIVE DOLLARS, 00/100 U.S. CURRENCY). IF THE AVERAGE OF MONTHLY AVAILABILITY OF THE GROUP OF LOCOMOTIVES IS OF 85% (EIGHTY FIVE PER CENT).
- 4.- BY MEANS OF THIS INSTRUMENT IT WILL PROCEED TO THE SUPPRESSION, SUBSTITUTION OR MODIFICATION OF SOME PARTS OF THE TEXT OF THE CLAUSES, ORIGINALLY AGREED.

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5.- IN ACCORDANCE TO THE PREVISIONS OF THIS CONTRACT, IT IS NECESSARY TO PERFORM MODIFICATIONS TO THE SAME. IN ORDER THAT "THE RAILROADS" AND "THE LESSOR" BE IN POSSIBILITY OF FULFILLING THEIR OBLIGATIONS.

TAKING INTO CONSIDERATION THE AFOREMENTIONED, THE CONTRACTING PARTIES STATE THEIR CONFORMITY IN FULL IN ASSUMING THE RIGHTS AND OBLIGATIONS THAT THEY ACQUIRE THROUGH THE CELEBRATION OF THIS CONTRACT, SUBJECT TO THE FOLLOWING:

C L A U S E S

FIRST.-

THE OBJECT OF THIS ADDITIONAL CONTRACT, IS TO MODIFY THE TEXT OF EXHIBIT NUMBER ONE, AS WELL AS CLAUSES: SECOND IN ITS POINTS A), C), D) AND E); FOURTH IN ITS POINTS E) AND H), SEVENTH IN ITS POINT D); AND TENTH IN ITS POINT C), SAME POINTS THAT WERE ORIGINALLY ESTABLISHED BY BOTH PARTIES IN CONTRACT # 80-5-9016-92, AND ALSO TO ADD EXHIBIT NUMBER FOUR.

SECOND.-

IN ORDER TO PERFORM THE AFOREMENTIONED, BY MEANS OF THIS CONTRACT IT IS PROCEEDED TO MODIFY EXHIBIT ONE OF THE ORIGINAL CONTRACT, UNDER THE FOLLOWING TERMS:

EXHIBIT ONE.-

LIST OF COMPONENTS THAT "THE LESSOR" MUST KEEP IN STOCK AT "THE RAILROAD'S" DESIGNATED SHOP, FOR SUPPLYING SERVICE TO THE LEASED UNITS.

"THE LESSOR" WILL SUPPLY SUCH COMPONENTS F.O.B. (FREE ON BOARD) LAREDO, TX., U.S.A. THE IMPORTATION PROCEDURES AND THE EXPENSES RELATED TO THIS IMPORTATION, WILL BE IN CHARGE OF "THE RAILROADS", AND "THE LESSOR" WILL KEEP THE PROPRIETORSHIP OF THE COMPONENTS, AND WILL ALSO KEEP THE INVENTORY OF THESE COMPONENTS IN A REVOLVING FORM DURING THE WHOLE PERIOD OF LEASING.

UPON TERMINATION OF THE LEASING, "THE RAILROADS" COMMIT THEMSELVES TO PURCHASE THE COMPONENTS, AT THE INVOICING VALUE WITH WHICH THESE WERE IMPORTED INTO MEXICO, SAME WHICH WILL BE ESTABLISHED BY BOTH PARTIES.

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THIRD:-

NOW, WITH REFERENCE TO SECOND CLAUSE OF THE ORIGINAL CONTRACT, THIS WILL BE MODIFIED IN ITS POINTS A), C), D) AND E), TO READ AS FOLLOWS:

POINT A)

"THE RAILROADS" WILL PAY, UNDER THE CONCEPT OF LEASING TO "THE LESSOR", PER EACH LOCOMOTIVE OF 3,000 NOMINAL HORSE POWER AND SHORT NOSE, PER DAY, THE AMOUNT OF US\$375.00 (THREE HUNDRED AND SEVENTY FIVE DOLLARS, 00/100 U.S. (Y.)). IF THE AVERAGE OF MONTHLY AVAILABILITY OF THE GROUP OF LOCOMOTIVES, IS OF 85% (EIGHTY FIVE PERCENT).

POINT C)

IF THE PERCENTAGE OF AVAILABILITY WOULD DIMINISH OF 85% (EIGHTY FIVE PERCENT) WHICH WAS AGREED, THE LEASING COMPANY WILL HAVE AN ADJUSTMENT TO THE LOW POINT, WHICH WILL BE CALCULATED AS FOLLOWS:

INITIALLY IT WILL BE DETERMINED WHICH WAS THE MONTHLY INDIVIDUAL AVAILABILITY, BY MEANS OF THE FOLLOWING FORMULA:

$$\frac{30 - \text{TIME INTERNATION AT SHOPS (DAYS)}}{30} = \text{AVAILABILITY PERCENTAGE.}$$

AFTERWARDS, IT WILL BE DETERMINED THE AVERAGE AVAILABILITY OF THE LEASED FLEET, BY MEANS OF THE FOLLOWING FORMULA:

$$\frac{\text{SUM OF AVAILABILITY OF EACH LEASED LOCOMOTIVE}}{\text{NUMBER OF LEASED LOCOMOTIVES}} = \text{AVERAGE AVAILABILITY OF THE FLEET.}$$

IF THE PERCENTAGE OF AVERAGE AVAILABILITY OF THE FLEET IS LOWER THAN 85%, IT WILL PROCEED TO APPLY AN ADJUSTMENT TO THE LOW POINT, SAME WHICH WILL BE DEFINED BY MEANS OF THE FOLLOWING FORMULA:

$$\frac{30 - \text{TIME INTERNATION AT SHOPS (DAYS)}}{25.5} = \text{ADJUSTMENT FACTOR.}$$

THIS FACTOR WILL BE APPLIED TO THE AGREED PRICE OF DAILY LEASING PER LOCOMOTIVE, AND THE RESULT WILL BE THE AMOUNT TO BE PAID PER DAY, PER LOCOMOTIVE.

ALL THE ABOVE CALCULATIONS ARE BASED ON MONTHS OF 30 DAYS, BEING NECESSARY TO MAKE THE DUE ADEQUATIONS.

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POINT D)

D) THE APPLICATION OF THE ADJUSTMENT MENTIONED IN THE ABOVE POINT, WILL BE BASED ON THE AVERAGE RESULTING FROM 30 (THIRTY) DAYS, AND IF IT IS TO BE EFFECTED, IT WILL BE DEDUCTED FROM THE INVOICE PENDING OF PAYMENT. IN ANY CASE, THE DEDUCTIONS MUST BE IN CONFORMANCE TO THE ACTS THAT ARE TO BE WRITTEN DOWN, FULFILLING THE FOLLOWING REQUISITE.

"THE RAILROADS" AND "THE LESSOR" WILL HAVE A MONTHLY MEETING, AT THE ADDRESS OF "THE RAILROADS" IN ORDER TO DETERMINE AND ANALYZE THE CAUSES THAT ORIGINATE THE FAILURES THAT WOULD BE SHOWN BY THE LOCOMOTIVES, THE PERCENTAGE OF AVAILABILITY, THE DISCOUNTS THAT WOULD PROCEED, AND THE DEFINITION OF RESPONSIBILITIES.

POINT E)

E) WHENEVER A FAILURE OCCURS, IMPUTABLE TO "THE LESSOR" IN A LOCOMOTIVE, "THE RAILROADS" WILL CARRY OUT THE CORRESPONDING REPAIR AT THEIR MAINTENANCE SHOP, IN ACCORDANCE WITH THE FOLLOWING CHART:

LIST OF COMPONENTS

DENOMINATION	TIME OF REPLACEMENT DAYS
TURBO CHARGER	3
AIR COMPRESSOR	3
TRACTION ENGINE	2
POWER ASSEMBLY	1
GOVERNOR	1/2
WATER PUMP	1/2
INJECTORS	1/2
BLOWING PUMP	1/2
OIL PUMP	1/2
LUBRICATOR	1/2
COOLING FAN	1/2
VOLTAGE REGULATOR	1/2
AUXILIARY GENERATOR	1-1/2

IT MUST BE INDICATED THAT, THESE PERIODS OF TIME WILL BE APPLIED INDEPENDENTLY FROM THE REAL RESULTS OF THE REPAIR.

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FOR THOSE JOBS NOT INCLUDED IN THE ABOVE CHART, "THE RAILROADS" WILL CARRY THEM OUT IN THE SHORTEST POSSIBLE TIME AND SO BOTH PARTIES ARE IN AGREEMENT IN CONSIDERING THE REAL TIME OF INTERACTION AT SHOPS FOR THE EFFECTS OF CALCULATING THE AVAILABILITY OF THE LOCOMOTIVES.

THE WORKMANSHIP EMPLOYED IN SUCH REPAIR WILL BE IN CHARGE OF "THE RAILROADS", AND THE SPARE PARTS USED WILL BE IN CHARGE OF "THE LESSOR"; THUS, "THE LESSOR" WILL KEEP THE REVOLVING INVENTORY OF COMPONENTS WHICH APPEARS IN EXHIBIT NUMBER ONE. IN CASE THAT THERE IS NO EXISTENCE OF NECESSARY OR SUFFICIENT MATERIAL IN SUCH INVENTORY, "THE RAILROADS" UPON THEIR DECISION COULD SUPPLY THIS MATERIAL, EFFECTING THE CORRESPONDING CHARGE TO "THE LESSOR".

FOURTH:

IN THE OTHER HAND, CLAUSE NUMBER FOUR WILL BE MODIFIED IN ITS POINTS E) AND H), READING AS FOLLOWS:

POINT E):

E) FULFILLING THE AFOREMENTIONED, THE PARTIES WILL WRITE DOWN, IN THE CITY OF SAN LUIS POTOSI, STATE OF SAN LUIS POTOSI, MEXICO, THE ACT OF DELIVERY, ACCEPTANCE AND RECEPTION OF EACH OF THE UNITS, OBJECT OF THIS CONTRACT, SAME WHICH MUST BE SIGNED BY A REPRESENTATIVE OF BOTH PARTIES, ATTESTING IN THIS ACT AN INVENTORY OF THE COMPONENTS AND/OR PARTS CONTAINED, AS WELL AS THE CONDITION THAT THEY SHOW AT SUCH MOMENT.

POINT H):

THE FOLLOWING POINT IS SUPPRESSED:

AS SOON AS THE "GOODS" PASS THE CHARGE TEST, "THE LESSOR" MUST DELIVER THE NECESSARY DOCUMENTATION IN ORDER TO SPEED UP THEIR INTERACTION INTO THE COUNTRY.

FIFTH:

CLAUSE NUMBER SEVEN IS MODIFIED IN ITS POINT D), WITH RESPECT TO ITS TEXT, WHICH WILL READ AS FOLLOWS:

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POINT D):

- D) IF THE MINOR FAILURES IN THE LOCOMOTIVE ARE IMPUTABLE TO "THE RAILROADS", THEY WILL REPLACE THE DAMAGED COMPONENTS AND/OR PARTS AT THEIR CHARGE, PREVIOUS AUTHORIZATION FROM THE REPRESENTATIVE OF "THE LESSOR". IN ACCORDANCE WITH WHAT IS ESTABLISHED IN CLAUSE NINTH, POINT B) OF THIS INSTRUMENT.

IF THE FAILURE IS IMPUTABLE TO "THE LESSOR", "THE RAILROADS" LIKEWISE WILL EFFECT THE REPAIR, USING MATERIALS FROM THE INVENTORY THAT "THE LESSOR" HAVE AS PER EXHIBIT NUMBER ONE, OR IN ITS CASE "THE RAILROADS" WILL SUPPLY THE MATERIALS, WITH CHARGE TO "THE LESSOR".

SIXTH:-

IN THE OTHER HAND, CLAUSE NUMBER TENTH IS MODIFIED IN ITS POINT C). READING AS FOLLOWS:

POINT C):

- C) IF THE FAILURES SHOWN BY "THE GOODS" ARE IMPUTABLE TO "THE RAILROADS", THE PAYMENT OF THE LEASING WILL NOT BE SUSPENDED, AND "THE RAILROADS" WILL REPLACE AND SOLVE BY ITS CHARGE AND COST THE DAMAGED PARTS, AND WILL PERFORM THE CORRESPONDING REPAIR WITH NO CHARGE TO "THE LESSOR". IN CASE THAT THE FAILURES WOULD NOT BE SUBJECT OF REPAIR BY "THE RAILROADS", IN 8 CALENDAR DAYS THE PARTIES WILL REACH AN AGREEMENT TO NEGOTIATE THE PAYMENT OF THE REPAIR, IN A PERIOD OF TIME OF NO MORE THAN 8 DAYS. IN CASE THAT THE PARTIES DO NOT REACH TO AN AGREEMENT, "THE RAILROADS" WILL RETURN, IN A PERIOD OF TIME OF NO MORE THAN 8 DAYS, THE "GOOD(S)" AT THE MIDDLE OF THE INTERNATIONAL BRIDGE BETWEEN THE CITIES OF LAREDO, TX AND NUEVO LAREDO, STATE OF TAMAULIPAS.

EXHIBIT FOUR:-

PROGRAM OF PREVENTIVE MAINTENANCE OF THE "GOODS".

DUE TO THE AFOREMENTIONED, "THE RAILROADS" AND "THE SUPPLIER" OBLIGATE THEMSELVES TO ACCOMPLISH WITH THEIR COMMITMENTS, AND AGREE THAT THE CONTENTS OF THE REST OF THE INTEGRATING CLAUSES OF THE MENTIONED CONTRACT WILL REMAIN AS VALID, IN ALL THAT DO NOT PRESENT OPPOSITION TO THIS AGREEMENT.

NINTH:-

NDEMLOCOS

THIS AGREEMENT IS THE FREE EXPRESSION OF THE WILLS OF THE PARTIES, AS THERE DOES NOT EXIST MISTAKE, VIOLENCE, INJURY OR ILL-FAITH AND SO, WHEN SIGNING IT THEY RATIFY THE SAME IN ALL ITS CONTENTS, BEFORE THE PRESENCE OF THE WITNESSES THAT INTERVENE, WHO ALSO SUBSCRIBE IT ATTESTING IT, ISSUING THIS CONTRACT IN ORIGINAL, IN DUPLICATE, ONE FOR EACH OF THE PARTIES, IN MEXICO CITY, FEDERAL DISTRICT, THE FOURTH DAY OF THE MONTH OF AUGUST, 1992.

"THE LESSOR"

"THE RAILROADS"

MR. FELIPE ZIRION QUIJANO  
PROXY

MR. LUIS GARCIA BARRIENTOS  
GENERAL UNDERDIRECTOR OF MOTIVE  
POWER AND ROLLING STOCK.

MR. RAUL PIENA WARZA

MR. RODOLFO TAPIA ABARCA  
GENERAL UNDERDIRECTOR, MARKETING  
AND SERVICES.

MR. BENJAMIN BARRIGA FERNANDEZ  
GENERAL UNDERDIRECTOR OF MATERIAL  
RESOURCES.

MR. JUAN JOSE HUERTA CORIA  
GENERAL UNDERDIRECTOR OF  
FINANCES.

MR. RAUL ALVAREZ ROSALES  
GENERAL UNDERDIRECTOR OF  
OPERATION.

WITNESS:

WITNESS:

MR. CARLOS LOPEZ PATAN  
OPERATIVE COORDINATOR OF  
SUPPLIES.

MR. CARLOS ALCERRECA CURIEL  
ACQUISITIONS MANAGER.

MR. GUILLERMO PEREZ DE LEON S.  
MANAGER OF JURIDICAL AFFAIRS.

NDEMLQOS

EXHIBIT NUMBER ONE.

OF CONTRACT NUMBER 80-5-9016-92. CELEBRATED  
BETWEEN THE NATIONAL RAILWAYS OF MEXICO  
AND  
HELM FINANCIAL CORPORATION.

LIST OF COMPONENTS.

DENOMINATION	QUANTITIES
TURBO CHARGER	2
AIR COMPRESSOR	1
TRACTION ENGINE	3
POWER SET, CONNECTING ROD, LEAF	4
POWER SET, CONNECTING ROD BASKET	4
GOVERNOR	1
WATER PUMP	2
INJECTORS	16
OIL PUMP	1
LUBRICATOR	1
COOLING FAN	1
VOLTAGE REGULATOR	1
AUXILIARY GENERATOR	1
STARTING ENGINE	1
SUSPENSION BEARINGS	6
GRATE OF DYNAMIC BRAKE	2
KIT OF JOINTS, POWER SET	8
SET, MODULE FOR SD-40 LOCOMOTIVE	1



FAX #: 1572-FZ0-92.

DATE: JULY 24, 1992.

REF.: CHANGES IN CONTRACT, LEASE OF LOCOMOTIVES, Ndem.

PLEASE DELIVER THE FOLLOWING 2 PAGE(S), INCLUDING THIS COVER, TO:

NAME: MR. GARY EELMAN.  
COMPANY: HELM FINANCIAL CORPORATION.  
CITY/COUNTRY: PENNSYLVANIA - USA.  
FAX #: (215) 230.9364.  
FROM: FELIPE ZIRION.

If you do not receive all the indicated pages, please call us back as soon as possible to phone # 548.9470, or transmit to fax # 550.6915. area code for Mexico City: 525.

M E S S A G E

DEAR GARY:

WITH REFERENCE TO THE ABOVE MENTIONED CONTRACT BETWEEN YOURSELVES AND Ndem, AS FOLLOWS WE INDICATE THE CHANGES THAT OUR CUSTOMER MADE:

PAGE # 6.

H). "THE LESSOR" ASSUME UNDER THEIR RESPONSIBILITY, THE COST OF FREIGHT FROM SYLVIS, ILLINOIS, U.S.A. TO THE MIDDLE OF THE INTERNATIONAL BRIDGE BETWEEN THE CITIES OF LAREDO, TX AND NUEVO LAREDO, STATE OF TAMAULIPAS AND VICEVERSA, COVERING AT THE SAME TIME, THE COST OF THE INSURANCE FEE OF THE TRANSPORTATION.

PAGE # 7.

A). "THE LESSOR" WILL DELIVER TO "THE RAILROADS", AT THE MIDDLE OF THE INTERNATIONAL BRIDGE BETWEEN THE CITIES OF LAREDO, TX AND NUEVO LAREDO, STATE OF TAMAULIPAS, 12 (TWELVE) LOCOMOTIVES IN A PERIOD OF TIME OF 2 (TWO) WEEKS, COUNTED FROM THE DATE WHEN THE INSPECTION CAN IMMEDIATELY BE EFFECTED, AND 3 (THREE) LOCOMOTIVES IN A PERIOD OF TIME OF 2 (TWO) WEEKS, COUNTED FROM THE DATE WHEN THE INSPECTION CAN BE EFFECTED, AFTER 3 (THREE) WEEKS, COUNTED FROM THE DATE IN WHICH THIS CONTRACT IS SIGNED, AS LONG AS THE LETTER OF CREDIT MENTIONED IN THE ABOVE CLAUSE, HAD BEEN ESTABLISHED.

FAXTRANSMITIDO

JUL 24

FAX1479FZ0

FAX #: 1579-FZQ-92.

July 24, 1992.

HELM FINANCIAL CORP. - MR. GARY EELMAN.

PAGE # 2.

PAGE # 10.

C.6.- CONTAIN EXPRESS STATEMENT OF THE BONDING INSTITUTION INDICATING THAT, IN THE CASE OF MAKING THE BOND EFFECTIVE, IT SUBMITS ITSELF EXPRESSLY TO THE PROCEDURE ESTABLISHED IN ARTICLES 92, 93, 93 BIS, 94 AND 110, AND THAT IT RENOUNCES TO THE BENEFIT GRANTED TO THEM BY ARTICLE 119 OF THE FEDERAL LAW OF BONDING INSTITUTIONS. PRESENTLY RULING.

I HOPE YOU FIND THESE CHANGES CLEAR; AS ALWAYS, SHOULD YOU NEED ANY FURTHER INFORMATION AND/OR CLARIFICATION IN THIS RESPECT, PLEASE DO NOT HESITATE TO LET US KNOW.

BEST REGARDS,

FELIPE ZIRION  
President.

FAX1579FZQ

ANNEX E

LIST OF COMPONENTS

<u>Components</u>	<u>Quantities</u>	<u>Responsibility</u>
Turbocharger	2	NREC
Air Compressor	1	NREC
Traction Motors	4	NREC
Power Asy.-Blade Type W/Gaskets	8	NREC
Power Asy.-Fork Type W/Gaskets	8	NREC
Governor	1	NREC
Water Pump	4	NREC
Injectors	16	NREC
Lube Oil Pump	1	NREC
Cooling Fan	3	NREC
Voltage Regulator	4	NREC
Auxiliary Generator	1	NREC
Starter Motor	1	HELM
Suspension Bearings	6	HELM
Dynamic Brake Grids	2	HELM
Power Asy. Installation Kits including headseat ring and bearings. (Gaskets and O ring shipped with power assemblies).	8	HELM