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16763
RECORDATION NO FILED 1425
FEB 13 1990 -3 00 PM
INTERSTATE COMMERCE COMMISSION

16763 A
RECORDATION NO FILED 1425
FEB 13 1990 -3 00 PM
INTERSTATE COMMERCE COMMISSION

0-044A093

16763 B
RECORDATION NO FILED 1425
FEB 13 1990 -3 00 PM
INTERSTATE COMMERCE COMMISSION

February 13, 1990

Trailer Train Company
Lease Financing Dated as of January 2, 1990
9.48% Conditional Sale Indebtedness
Transaction D

16763-C
RECORDATION NO FILED 1425
FEB 13 1990 -3 00 PM
INTERSTATE COMMERCE COMMISSION

Dear Ms. McGee:

Pursuant to 49 U.S.C. § 11303 and the Commission's rules and regulations thereunder, as amended, I enclose herewith on behalf of Trailer Train Company, for filing and recordation, counterparts of each of the following documents:

1. (a) Conditional Sale Agreement dated as of January 2, 1990, among Trailer Train Company, Bethlehem Steel Corporation and Trinity Industries, Inc., as Sellers, and The Connecticut National Bank, as Trustee; and

(b) Agreement and Assignment dated as of January 2, 1990, among Trailer Train Company, Bethlehem Steel Corporation and Trinity Industries, Inc., as Sellers, and Mercantile-Safe Deposit and Trust Company, as Agent.

2. (a) Lease of Railroad Equipment dated as of January 2, 1990, between Trailer Train Company, as Lessee, and The Connecticut National Bank, as Trustee; and

(b) Assignment of Lease and Agreement dated as of Janaury 2, 1990, between The Connecticut National Bank, as Trustee, and Mercantile-Safe Deposit and Trust Company, as Agent.

Counterparts

The names and addresses of the parties to the aforementioned agreements are as follows:

1. Agent:

   Mercantile-Safe Deposit and Trust Company
   Two Hopkins Plaza
   Baltimore, Maryland 21203

2. Trustee:

   The Connecticut National Bank
   777 Main Street
   Hartford, Connecticut 06115

3. Lessee:

   Trailer Train Company
   101 North Wacker Drive
   Chicago, Illinois 60606

4. Sellers:

   Trailer Train Company
   101 North Wacker Drive
   Chicago, Illinois 60606

   Bethlehem Steel Car Corporation
   Freight Car Division
   17 Johns Street
   Johnstown, Pennsylvania 15901

   Trinity Industries, Inc.
   2525 Stemmons Freeway
   Dallas, Texas 75207

Please file and record the documents referred to in this letter and index them under the names of the Agent, the Trustee, the Lessee and the Sellers.

The equipment covered by the aforementioned documents is listed on Exhibit A attached hereto.

The equipment bears the legend "Ownership Subject to a Security Agreement filed with the Interstate Commerce Commission".

There is also enclosed a check for $30.00 payable to the Interstate Commerce Commission, representing the fee for recording the Conditional Sale Agreement and related Agreement and Assignment (together constituting one document), and the Lease of Railroad Equipment and related Assignment of Lease and Agreement (together constituting one document).

Please stamp all counterparts of the enclosed documents with your official recording stamp. You will wish to retain one copy of the instruments and this transmittal letter for your files. It is requested that the remaining counterparts of the documents be delivered to the bearer of this letter.

Very truly yours,

Laurance V. Goodrich

Laurance V. Goodrich
as Agent for Trailer Train
Company

Noreta R. McGee, Secretary,
Interstate Commerce Commission,
Washington, D.C. 20423

Encls.

[CS&M Ref: 4020-143]

RECORDATION NO 16263-B FILED 1425

FEB 13 1990 -3 00 PM

INTERSTATE COMMERCE COMMISSION

LEASE OF RAILROAD EQUIPMENT

(No. 31D)

Dated as of January 2, 1990

Between

TRAILER TRAIN COMPANY,

as Lessee,

and

THE CONNECTICUT NATIONAL BANK,
not in its individual capacity
but solely as Trustee

The rights and interests of the Trustee under this Lease are subject to a security interest in favor of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent for institutional investors. The original of this Lease is held by said Agent.

Lease of Railroad Equipment

TABLE OF CONTENTS*

SECTION 1.01	Net Lease	L-2
SECTION 2.01	Delivery and Acceptance of Units	L-2
SECTION 3.01	Rentals	L-3
SECTION 4.01	Term of Lease	L-7
SECTION 5.01	Identification Marks	L-7
SECTION 6.01	Taxes	L-8
SECTION 7.01	Casualty Occurrences; Terminations and Insurance;	L-20
SECTION 8.01	Reports	L-25
SECTION 9.01	Disclaimer of Warranties; Compliance with Laws and Rules; Maintenance; Indemnification	L-26
SECTION 10.01	Default	L-32
SECTION 11.01	Return of Units Upon Default	L-36
SECTION 12.01	Assignment; Sublease; Possession and Use	L-37
SECTION 13.01	Renewal Option and Purchase Option	L-39
SECTION 14.01	Return of Units upon Expiration of Term	L-41
SECTION 15.01	Recording	L-43
SECTION 16.01	Obligations of Trustee Under CSA; Additional Rentals	L-44
SECTION 17.01	Trustee's Right to Perform for the Lessee	L-44
SECTION 18.01	Interest on Overdue Rentals	L-45
SECTION 19.01	Notices	L-45
SECTION 20.01	Immunities	L-45
SECTION 21.01	Severability; Effect and Modification of Lease; Third Party Beneficiaries	L-46
SECTION 22.01	Execution	L-46
SECTION 23.01	Law Governing	L-47
SCHEDULE A	Equipment	L-48
SCHEDULE B	Rentals	L-49
SCHEDULE C	Casualty Values and Termination Values	L-50

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*This Table of Contents has been included in this document for convenience only and does not form a part of or affect any construction or interpretation of this document.

LEASE OF RAILROAD EQUIPMENT dated as of January 2, 1990, between TRAILER TRAIN COMPANY, a Delaware corporation ("Lessee"), and THE CONNECTICUT NATIONAL BANK, a national banking association, acting not in its individual capacity but solely as Trustee ("Trustee") under a Trust Agreement dated as of the date hereof with OWNER named in Schedule A hereto ("Owner").

WHEREAS the Trustee is entering into a conditional sale agreement (the "CSA") with (three sellers of equipment) ("Sellers"), pursuant to which the Trustee has agreed to purchase and take delivery of the railroad equipment described in Schedule A hereto ("Equipment"); and

WHEREAS each Seller is assigning its interests in the CSA pursuant to an Agreement and Assignment ("CSA Assignment") to Mercantile-Safe Deposit and Trust Company, acting as Agent ("Vendor"), under a Participation Agreement dated as of the date hereof ("Participation Agreement") with the Lessee, the Trustee, the Owner and the investors named therein ("Investors"); and

WHEREAS the Lessee will lease from the Trustee all the units of the Equipment as are delivered and accepted under the CSA at the rentals and for the term and upon the conditions hereinafter provided (each such unit being hereinafter called "Unit");

WHEREAS the Trustee will assign certain of its rights under this Lease for security to the Vendor pursuant to an Assignment of Lease and Agreement ("Lease Assignment") and the Lessee will consent to the Lease Assignment pursuant to a Lessee's Consent and Agreement ("Consent"); and

WHEREAS the parties intend that terms of this Agreement shall be binding upon and inure to the benefit of the parties' respective successors and assigns and, as such, the capitalized terms used herein to define each of the parties shall also refer to the parties' respective successors and assigns.

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

SECTION 1.01. Net Lease. This Lease is a net lease. The Lessee's obligation to pay all rentals and other amounts hereunder shall be absolute and unconditional and, except as provided in Section 7.01 hereof, the Lessee shall not be entitled to any abatement of rent, reduction thereof or setoff against rent, including, but not limited to, abatements, reductions or setoffs due or alleged to be due by reason of any past, present or future claims of the Lessee against the Trustee, the Agent or the Investors, whether under this Lease, under the CSA or otherwise, including the Lessee's rights by subrogation thereunder against any manufacturer ("Manufacturer") of the Units, the Seller or the Vendor or otherwise; nor, except as otherwise expressly provided herein, shall this Lease terminate, or the respective obligations of the Trustee or the Lessee be otherwise affected, by reason of any defect in or damage to or loss of possession or loss of use or destruction of all or any of the Units from whatsoever cause, any liens, encumbrances or rights of others with respect to any of the Units, the prohibition of or other restriction against the Lessee's use of all or any of the Units, the interference with such use by any person or entity, the invalidity or unenforceability or lack of due authorization of this Lease, any insolvency of or bankruptcy, reorganization or similar proceeding against the Lessee, the Trustee or the Owner, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the rents and other amounts payable by the Lessee hereunder shall continue to be payable in all events in the manner and at the times herein provided unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease. To the extent permitted by applicable law, the Lessee hereby waives any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender the lease of any of the Units except in accordance with the express terms hereof. Each rental or other payment made by the Lessee hereunder shall be final and the Lessee shall not seek to recover all or any part of such payment from the Trustee or the Vendor for any reason whatsoever.

SECTION 2.01. Delivery and Acceptance of Units. The Trustee hereby appoints the Lessee its agent for inspection and acceptance of the Units pursuant to the CSA. Each delivery of a Unit to the Lessee shall be deemed to be a delivery to the Trustee under the CSA and shall also be deemed to be a delivery hereunder to the Lessee at the point

or points within the United States of America at which such Unit is delivered to the Trustee under the CSA. Upon such delivery, the Lessee will cause an employee or agent of the Lessee to inspect the same, and if such Unit is found to be acceptable, to accept delivery of such Unit on behalf of the Trustee under the CSA and itself hereunder whereupon such Unit shall, except as provided in the last paragraph of Article 3 of the CSA, be deemed to have been delivered to and accepted by the Lessee and shall be subject thereafter to all the terms and conditions of this Lease. The Lessee will promptly execute and deliver to the Trustee a certificate of acceptance ("Certificate of Acceptance") in accordance with the provisions of Article 3 of the CSA, stating that such Unit has been inspected and accepted on behalf of the Trustee on the date of such Certificate of Acceptance and is marked in accordance with Section 5 hereof. Without the prior written consent of the Trustee, the Lessee is not authorized to and may not accept any Units hereunder or under the CSA on behalf of the Trustee after it has actual knowledge of an Event of Default hereunder or of an event which with the lapse of time or giving of notice or both would constitute such an Event of Default (each such Event of Default and event being hereinafter "Default").

SECTION 3.01. Rentals. With respect to each of the Units subject to this Lease, the Lessee will pay to the Trustee the rentals shown in Schedule B hereto.

SECTION 3.02. As used herein, the term "Type" refers to the type of the different Units as shown in Schedule A hereto by the Lessee's reporting mark.

SECTION 3.03. (a) In addition, the Lessee will pay as additional rentals hereunder any amounts required to be paid as and when due pursuant to the next to the last sentence of paragraph (a) of Section 9 and the last sentence of paragraph (d) of Section 9 of the Participation Agreement, the annual fees, costs and disbursements of the Agent and the Trustee required by Section 12 of the Participation Agreement and any amount of Make Whole Premium at any time payable by the Trustee under the CSA.

(b) The Lessee will also pay as additional rent hereunder an amount determined by reference to interest on an advance payable by the Owner under Section 9 of the Tax Indemnity Agreement or by any member of the Owner Group or any assigns, agents or servants thereof under Section 6.03 hereof; such amount shall be paid by the Lessee six months prior to the date such interest is payable by the Owner or such other persons, as applicable, and shall be equal to the amount of any such interest payment discounted over a six

month period at the then current prime lending rate (as announced from time to time by National Westminster Bank).

SECTION 3.04. The rentals shown in Schedule B hereto, the Casualty Values and Termination Values shown in Schedule C hereto and the Early Buy Out Amount (as defined in Section 7.08) have been calculated on the assumptions that (i) 100% of the aggregate estimated unit price of the Units set forth in Schedule A hereto will be settled for on February 28, 1990, (ii) the fees and expenses payable by the Owner pursuant to Section 12 of the Participation Agreement will be equal to .35% of the aggregate Purchase Price of the Units, (iii) 80% of the aggregate Purchase Price will be financed by the Investors and (iv) no Change in Tax Law shall have occurred prior to the acceptance date for any Units. The term "Change in Tax Law" means a change in the Internal Revenue Code of 1986, as amended (the "Code"), after February 13, 1990, the promulgation of new or revised, proposed temporary or final Treasury Regulations (or other Treasury actions of similar import and having the same force of law), or the promulgation of revenue procedures, revenue rulings or other administrative publications announcing the intention of the Treasury to promulgate such Regulations, not including any such amendment, modification, deletion or change affecting a minimum tax or alternative minimum tax relating generally to the income of the Owner; provided, however, that there shall not be any adjustment for any Change in Law with respect to any Unit of Equipment unless the Lessor gives to Lessee notice of such Change in Law prior to delivery on the Delivery Date for such Unit of Equipment. If any of the foregoing assumptions proves to be incorrect with respect to any Unit of Equipment, such rentals, Casualty Values, Termination Values and Early Buy Out Amount will be adjusted upward or downward by the minimum amount necessary so the Owner's after-tax book yield and aggregate after-tax cash flow computed using the multiple investment sinking fund method (such after-tax book yield and after-tax cash flow being hereinafter called "Net Economic Return") (computed on the same assumptions, including rates, as were originally utilized by the Owner in calculating the same, other than any changed assumptions resulting in any adjustment) shall at least equal the Net Economic Return that would have been realized in accordance with the original assumptions stated above assuming all such assumptions were true; provided, however, if any proposed Change in Tax Law for which there has been a rental adjustment is subsequently revoked (and not replaced by any substantially similar Change in Tax Law), the remaining rentals, Casualty Values, Termination Values and Early Buy Out Amount, to the extent

applicable, shall be adjusted by the minimum amount necessary so the Owner's Net Economic Return (computed on the same assumptions, including rates, as were originally utilized by the Owner in calculating the same other than any changed assumption resulting in any adjustment) from the date of such revocation shall be at least equal to the Net Economic Return that would have been realized by the Owner in accordance with the original assumptions stated above assuming all such assumptions were true. Any dispute with respect to any adjustments made pursuant hereto shall be resolved in the same manner as disputes with respect to adjustments under the Tax Indemnity Agreement are to be resolved. If the aggregate pre-tax present value (computed at 9.48% compounded semiannually) of the increase in rentals occasioned by clause (iv) of this paragraph of this Section 3.04 with respect to any remaining settlement date is in excess of 125 basis points, then the Lessee shall have the option of not closing on the remaining settlement dates with respect to Equipment not previously accepted.

SECTION 3.05. Notwithstanding anything to the contrary set forth herein, (a) the rentals and the related Casualty Values, Termination Values, and Early Buy Out Amount, as adjusted pursuant to this Section 3, shall always be sufficient to satisfy the obligations of the Trustee under the CSA regardless of any limitation of liability set forth therein and the date on which any rentals, Casualty Value, Termination Value or Early Buy Out Amount is payable shall in any event be consistent with the Trustee's payment obligations under the CSA and (b) the Early Buy Out Amount shall never be reduced pursuant to Section 3.04. In no event shall the foregoing covenant be construed as a guarantee by the Lessee of the CSA Indebtedness.

SECTION 3.06. If any of the rental payment dates referred to above is not a business day (as such term is defined in Article 4 of the CSA), the rental payment otherwise payable on such date shall then be payable on the following business day, and no interest shall be payable for the period from and after the scheduled date for payment thereof to such following business day.

SECTION 3.07. For so long as the CSA shall remain in effect, the Trustee irrevocably instructs the Lessee to make all the payments due the Trustee provided for in this Lease (other than payments which by the express terms of Sections 6.01, 9.07, and 17.01 of this Lease are payable directly to the Trustee) to the Vendor, for the account of the Trustee, in care of the Vendor, with instructions to the

Vendor (a) first to apply such payments to satisfy the obligations of the Trustee under the CSA and the Participation Agreement due and payable thereunder on the date such payments are due and payable hereunder and (b) second, so long as no event of default under the CSA shall have occurred and be continuing (but no longer than 180 days unless the Agent shall have issued a "Declaration of Default" as defined in the CSA), to pay any balance promptly to the Trustee or as directed by the Trustee in immediately available funds at such place as the Trustee shall specify in writing.

SECTION 3.08. The Lessee agrees to make each payment provided for herein as contemplated by this Section 3 in immediately available funds at or prior to 11:00 a.m. Baltimore time to the office of the Vendor (at 2 Hopkins Plaza, Baltimore, Maryland 21203, attention of Corporate Trust Department) on the date due, or if the CSA shall no longer be in effect, at the office of the Trustee.

SECTION 3.09. In the event the Trustee fails to make any payment required to be made pursuant to clause (ii) of paragraph (d) of Section 9 of the Participation Agreement, the Lessee shall make such payment (such amount being herein called "Prepaid Rent"). So long as no Event of of Default has occurred and is continuing, the Trustee agrees to reimburse the Lessee immediately on demand for (x) the Prepaid Rent paid by Lessee plus (y) accrued interest thereon at the rate of 15% per annum from the later of the date such Prepaid Rent is paid by the Lessee or the date such Event of Default is no longer continuing to, but not including, the date of each such reimbursement (such amounts to be reimbursed being herein called the "Reimbursement Amount"). If the Trustee shall fail to pay the Lessee the Reimbursement Amount as provided above, and as long as no Event of Default has occurred and is continuing, the Lessee may, upon written notice to the Owner and Trustee, and without limitation to Lessee's rights against the Owner under the Participation Agreement, demand and sue for such Reimbursement Amount as well as offset (without duplication) against each succeeding payment (other than as limited by the last sentence of this Section) due from the Lessee to the Owner or the Trustee (except in its individual capacity) with respect to any Units owned by the Owner (including, without limitation, any rent payments due with respect to any renewal term, any purchase price payable to the Lessor pursuant to the Lessee's exercise of its termination options under the Lease, other payments due under this Lease, payments due under the Tax Indemnity Agreement, and any

other amount due hereunder to the Owner or the Trustee (except in its individual capacity) until the Lessee has been fully reimbursed for the Reimbursement Amount. No such offset or aggregate combined effect of separate offsets shall reduce the amount of any rental payments to an amount insufficient, together with all other amounts of rent payable simultaneously by the Lessee, to pay in full the payments then required to be made on account of the CSA Indebtedness.

SECTION 4.01. Term of Lease. The term of this Lease as to each Unit shall begin on the date of delivery and acceptance of such Unit hereunder as aforesaid and, subject to the provisions of Section 7, 10 and 13 hereof, shall terminate on August 26, 2010. Except for obligations of the Lessee hereunder which are specifically stated to terminate at a fixed time, the obligations of the Lessee hereunder (including, but not limited to, the obligations under Sections 3, 6, 7, 9, 11, 14 and 18 hereof) shall survive the expiration of the term of this Lease.

SECTION 4.02. Notwithstanding anything to the contrary contained herein, all rights and obligations of the Lessee under this Lease and in and to the Units are subject to the rights of the Vendor under the CSA. If an event of default should occur under the CSA, the Vendor may terminate this Lease (or rescind its termination), all as provided therein.

SECTION 5.01. Identification Marks. The Lessee will cause each Unit to be kept numbered with the identifying number set forth in Schedule A hereto and each platform constituting part of each Unit to be steel-stamped with the identifying number for such platform in a uniform location, or in the case of any Unit not there listed such identifying number as shall be set forth in any amendment or supplement hereto extending this Lease to cover such Unit, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each Unit, in letters not less than one inch in height, the words, "OWNERSHIP SUBJECT TO A SECURITY AGREEMENT FILED WITH THE INTERSTATE COMMERCE COMMISSION", or other appropriate words designated by the Trustee, with appropriate changes thereof and additions thereto as from time to time may be required by law or reasonably requested by the Trustee or the Vendor in order to protect the Trustee's title to and the Vendor's security interest in such Unit and the rights of the Trustee under this Lease and of the Vendor under the CSA. The Lessee will not place or permit any such Unit to be placed in operation

or exercise any control or dominion over the same until such words shall have been so marked on both sides thereof and will replace or cause to be replaced promptly any such name and words which may be removed, defaced, obliterated or destroyed. The Lessee will not change or permit to be changed the identifying number of any Unit unless and until (i) a statement of new number or numbers to be substituted therefor shall have been filed with the Vendor and the Trustee and filed, recorded and deposited by the Lessee in all public offices where this Lease and the CSA shall have been filed, recorded and deposited and (ii) the Lessee shall have furnished the Vendor and the Trustee an opinion of counsel to the effect that such statement has been so filed, recorded and deposited, such filing, recordation and deposit will protect the Vendor's and the Trustee's interests in such Units and no other filing, recording, deposit or giving of notice with or to any other Federal, state or local government or agency thereof is necessary to protect the interests of the Vendor and the Trustee in such Units. Units with reporting marks of NTTX or TTAX will bear the legend "Do not hump".

SECTION 5.02. Except as above provided, the Lessee will not allow the name of any person, association or corporation to be placed on any Unit as a designation that might be interpreted as a claim of ownership; provided, however, that the Lessee may permit the Equipment to be lettered with the names, trademarks, initials or other insignias customarily used by the Lessee on railroad equipment used by it of the same or a similar type for convenience of identification of its rights to use the Equipment under this Lease, and the Equipment may be lettered in an appropriate manner for convenience of identification of the interest of the Lessee therein.

SECTION 6.01. Taxes. If for any reason the Lessee is required to withhold any amount from any rental payments provided for in Section 3.01 hereof, or any payment of Casualty Value or Termination Value, the Lessee shall notify the Owner of such withholding requirement at least 30 days prior to the date such payment is due. Whether or not any of the transactions contemplated hereby are consummated, the Lessee agrees to pay, and to indemnify and hold harmless the Trustee, both in its individual and trust capacities, the Owner, each affiliate of the Owner, the Vendor and the Investors and their respective successors, assigns, agents and servants ("Indemnified Persons") on an after-tax basis from all taxes, assessments, fees and charges of any nature whatsoever, together with any penalties, fines, additions to

tax or interest thereon, howsoever imposed, whether levied or imposed upon any such Indemnified Person or otherwise, by any Federal, state or local government or governmental subdivision in the United States or by any foreign country or subdivision thereof or any international taxing authority, upon or with respect to: any Unit or any part thereof; the manufacture, purchase, ownership, delivery, leasing, possession, use, operation, transfer of title, registration, reregistration, transfer of registration, return or other disposition thereof or the imposition of any Lien (or the incurrence of any liability to refund or pay over any amount as the result of any Lien) on any such Unit or part thereof or interest therein; the rentals, receipts or earnings arising therefrom; or this Lease, the Lease Assignment, the Consent, the Trust Agreement, the Participation Agreement, the CSA or the CSA Assignment; any payment made pursuant to any such agreement, or the property, the income or other proceeds received with respect to property held in trust by the Trustee under the Trust Agreement or by the Vendor under the CSA; or otherwise in connection with the transactions contemplated by the Documents (all such taxes, assessments, fees, charges, penalties, fines, additions to tax and interest imposed as aforesaid being hereinafter called "Taxes"); <u>excluding</u>, <u>however:</u> (i) in the case of the Owner, each Affiliate of the Owner and the Trustee in its trust capacity (the "Owner Group") (a)(x) any Taxes (other than sales or use taxes) of the United States or of any state or political subdivision thereof, imposed on or measured by the net receipts or net income (including, without limitation, capital gains taxes, alternative minimum taxes and taxes measured by tax preference items or excess profits) of the Owner or (y) Taxes on or measured by capital, stock value, intangibles or the net worth or other status of the Owner in the case of franchise or doing business taxes of the Owner to the extent such Taxes would not have been imposed but for the activities of the Owner Group that are unrelated to the transactions contemplated by the Documents, (b) any Taxes imposed by a foreign jurisdiction or political subdivision thereof or international taxing authority to the extent such Taxes result solely from the activities of such Indemnified Person that are unrelated to the transactions contemplated by the Documents or relate to or are imposed by a foreign jurisdiction in which the Equipment was not physically present during the term of the Lease unless such Tax would not have occurred but for (1) any activities of the Lessee or other User of such Item of Equipment in or related to such jurisdiction, or (2) any payment made by the Lessee or other User of such Item of Equipment pursuant to any Document from such jurisdiction, and (c) any Taxes (other than sales

or use taxes) to the extent based on or measured by net or gross income (including, without limitation, withholding taxes on gross income, capital gains taxes, alternative minimum taxes, taxes measured by tax preference items and taxes on excess profits of the Owner) ("Income Taxes") imposed on a member of the Owner Group by any taxing authority within Canada or Mexico if such member of the Owner Group is already subject to an Income Tax in such jurisdiction without regard to the transactions contemplated by the Documents; provided, however, that this exception (c) shall not apply to the extent such Income Taxes (x) would have been imposed (1) even if such member of the Owner Group had not already been subject to an Income Tax in such jurisdiction or (2) had the Lessee been the Owner of the Item of Equipment with respect to which such Income Tax is imposed or (y) would not have been imposed but for any Item of Equipment having been used more than 183 days in any 12-month period in the jurisdiction imposing such Income Tax; (ii) in the case of any Indemnified Person other than a member of the Owner Group, any Taxes (other than sales or use taxes) of the United States or of any state or political subdivision thereof, or of any foreign jurisdiction or political subdivision thereof, imposed on or measured by gross receipts, gross or net income (including, without limitation, withholding taxes on gross income, capital gains taxes, alternative minimum taxes and taxes measured by tax preference items) excess profits of such Indemnified Person or Taxes on or measured by capital, intangibles, stock value or net worth or other status of such Indemnified Person, in the case of franchise or doing business taxes, other than such Taxes to the extent imposed by any jurisdiction in which such Indemnified Person is not otherwise subject to tax and does not maintain a permanent establishment, office or other place of business, and in such case only to the extent such Taxes (x) do not exceed the Taxes that would have been imposed by such jurisdiction if the Tax solely were based on and measured by the transactions contemplated by the Documents and (y) are not actually utilized by such Indemnified Person as a credit against Taxes that are not indemnified against hereunder, and other than Taxes arising out of or imposed on or in respect of indemnification payments under this Lease; provided, however, that the provisions of the foregoing clauses (i) and (ii) shall not be interpreted to limit the Lessee's obligations under the Tax Indemnity Agreement or to pay any amount hereunder on an after-tax basis; (iii) in the case of any Indemnified Person any Taxes imposed as a result of (x) any voluntary transfer or voluntary disposition by such Indemnified Person (including a transfer under Section 338 of the Code if applicable) of any interest in any Unit,

the CSA, any interest in rentals under the Lease, or any such Indemnified Person's rights or obligations under the Documents, in each case other than (1) pursuant to Section 10 hereof, or (2) in connection with a Casualty Occurrence or Termination (it being understood that any disposition or transfer of any of the Owner's rights, obligations or interests in the Equipment to or at the direction of the Lessee, the Agent or the Investor is not voluntary) or (y) any involuntary transfer or involuntary disposition of any such interests (1) resulting from the bankruptcy of the Indemnified Person unless as a result of the bankruptcy of the Trust Estate or (2) resulting directly from events unrelated to the transactions contemplated by the Documents; (iv) in the case of the Trustee or the Vendor, any Taxes imposed on or measured by any fees received by the Trustee or the Vendor; (v) in the case of any Indemnified Person, any Taxes which are imposed on or measured by the gross receipts, gross or net income of such Indemnified Person if and to the extent that such Taxes are specifically in substitution for or are specifically designed to reduce the Taxes payable by such Indemnified Person which the Lessee has not agreed to pay or indemnify against pursuant to this Section 6; (vi) any Taxes imposed on any Indemnified Person resulting from the gross negligence or willful misconduct of such Indemnified Person; (vii) any Taxes imposed with respect to events occurring or matters arising after the later of (and not simultaneous with) (A) the return of possession of the Units to the Owner pursuant to the terms of the Lease, or (B) the expiration or earlier termination of the term of the Lease except to the extent directly attributable to a failure of the Lessee to fully discharge its obligations under the Lease; (viii) any Taxes which are included in the Purchase Price, provided that such Taxes have been remitted to the proper taxing authorities; (ix) any Taxes which are imposed on any Indemnified Person to the extent resulting directly from the failure to perform any requirement imposed with respect to any return otherwise required to be filed by any such Indemnified Person (or any of its Affiliates) without regard to the transactions contemplated by the Documents, in connection with the preparation or filing of tax returns, the payment of its taxes or the conduct of any proceeding in respect thereof, except to the extent attributable to the failure of the Lessee to perform its obligations under this Section 6 or to perform its duties and responsibilities pursuant to the Documents including, without limitation, the obligations to make payments and prepare returns provided in this Section 6; (x) Taxes imposed on an Indemnified Person to the extent such Taxes would not have been imposed upon such Indemnified

Person (or any of its Affiliates) but for any failure of such Indemnified Person or such Affiliate to comply with (a) certification, information, documentation, reporting or other similar requirements (each being a "Requirement") concerning the nationality, residence, identity or connection with the jurisdiction imposing such Taxes, if such compliance is required by statute or by regulation of the jurisdiction imposing such Taxes as a precondition to relief or exemption from such Taxes and the Indemnified Person or its Affiliate was eligible to comply with such Requirement or (b) any other Requirements under the Tax laws or regulations of the jurisdiction imposing such Taxes that would establish entitlement to otherwise applicable relief or exemption from such Taxes, and the Indemnified Person or such Affiliate was eligible to comply with such Requirement, provided that the exclusion set forth in this subclause (x) shall not apply (1) if such failure to comply was due to a failure of the Lessee (y) timely to notify such Indemnified Person or such Affiliate of such Requirement or (z) to provide reasonable assistance in complying with such requirement or (2) if, in order to comply with such Requirement, the Indemnified Person or such Affiliate would be required to make any inaccurate statement or (3) if by complying with such Requirement the Indemnified Person or such Affiliate might suffer any material adverse consequences for which the Indemnified Person or such Affiliate is not indemnified by the Lessee; (xi) any Taxes to the extent such Taxes would have been imposed on an Indemnified Person even if it had not engaged in activities related to the transactions contemplated by the Documents; (xii) any Taxes for which the Lessee has actually and fully paid or reimbursed, in accordance with the terms of any of the Documents, the Indemnified Person entitled to payment under this Section 6; and (xiii) penalties, interest or additions to tax to the extent resulting from Taxes which are not indemnifiable hereunder; provided, however, that this exclusion (xiii) shall not apply to the pro rata portion of any penalties, interest or additions attributable to Taxes indemnifiable hereunder; provided, however, that, except as provided below, the Lessee shall not be required to pay any Taxes during the period it may be contesting the same in the manner provided in the next succeeding paragraph; provided further, however, that if the Lessor is obligated to make a payment under this Section 6 by reason of a breach by the Indemnified Person or any Affiliate thereof of any of such Indemnified Person's representations, warranties, duties and obligations under any of the Documents to which it is a party, this Section 6 shall not be construed to limit the Lessee's ability to include the amount of such obligation as damages due and

owing by reason of such breach, and the liability of the Lessee to indemnify hereunder shall in no way be construed as limiting any rights or remedies to which the Lessee may otherwise be entitled in the event of any such breach.

SECTION 6.02. Except as provided herein, the Lessee shall pay all Taxes subject to indemnification under this Section 6 for which it is required to file a return prior to the latest time permitted by the relevant taxing authority for timely payment. In the case of a Tax subject to indemnification under this Section 6 for which the Lessee is required to file a return, when the Lessee resists payment and while the Lessee is contesting such Tax in accordance with this Section 6, the Lessee shall pay such Tax (in the amount finally determined to be owing in such contest) prior to the latest time permitted by the relevant taxing authority for timely payment after a Final Determination (as defined below). In the case of a Tax subject to indemnification under this Section 6 for which no return is required to be filed by the Lessee, the Lessee shall pay such Tax to the appropriate Indemnified Person within 15 days after receipt of a demand in writing that specifies in reasonable detail the payment and the facts upon which the right to payment is based, but not prior to the later of (i) 15 days before the due date (ignoring extensions of time) for payment of such Tax by the Indemnified Person, and (ii) in the case of a Tax whose payment is being contested in accordance with this Section 6, a Final Determination (which shall mean (i) a decision, judgment, decree or other order by any court of competent jurisdiction that resolves the matter, which decision, judgment, decree or other order has become final (i.e., the earliest of when all allowable appeals have been exhausted by either party to the action or the time for filing such appeal has expired or such Indemnified Person has notified the Lessee in writing that it does not intend to take such appeal, it being understood that such Indemnified Person shall not be required to pursue such appeal), (ii) a closing agreement entered into under Section 7121 of the Code (or any successor provision) or any other settlement agreement entered into in connection with the administrative or judicial proceedings, in any case with Lessee's consent, (iii) the expiration of the time for instituting an initial suit with respect to a claimed deficiency or for instituting a claim for refund, or, if a refund claim was filed, the expiration of the time for instituting suit with respect thereto or (iv) the point in time when the Indemnified person is no longer required to contest (or allow the Lessee to contest) the imposition of such Tax pursuant to Section 6.03.

SECTION 6.03. If any written claim is made against any Indemnified Person for any Taxes indemnified against under this Section 6, such party shall promptly notify the Lessee. If reasonably requested by the Lessee in writing within 60 days or receipt of such notice (or, if sooner, and if such date is disclosed to the Lessee in the Indemnified Person's notification to the Lessee, on or before the last date upon which a contest of such Tax can be initiated), such Indemnified Person shall, upon receipt of indemnity satisfactory to it for all costs, expenses, losses, legal and accountants' fees and disbursements, penalties, fines, additions to tax and interest, and at the expense of the Lessee (it being understood that such indemnity is not intended to expand the scope of Lessee's indemnification obligations with respect to liabilities specifically dealt with in this Section 6), contest in good faith the validity, applicability or amount of such Taxes by, in the case of a contest involving only Taxes for which the Lessee is liable (a "Lessee Controlled Contest"), in the Lessee's sole discretion, or, in the case of any other contest (an "Indemnified Person Controlled Contest"), in such Indemnified Person's sole discretion, (a) resisting payment thereof if possible, (b) not paying the same except under protest, if protest is necessary and proper, or (c) if payment is made, using reasonable efforts to obtain a refund thereof in appropriate administrative or judicial proceedings, or both; provided, however, that in no event will such Indemnified Person be required to contest or continue to contest the imposition of any Tax for which the Lessee is obligated pursuant to this Section 6 unless (w) no Event of Default shall have occurred and be continuing, (x) such Indemnified Person and the Owner shall have reasonably determined that the action to be taken will not result in any material danger of sale, forfeiture or loss of, or the creation of any Lien (except if the Lessee shall have adequately bonded such Lien, or otherwise made provision to protect the interests of such Indemnified Person and the Owner in a manner reasonably satisfactory to such Indemnified Person and the Owner) on any Item of Equipment, (y) if such contest shall involve payment of the claim, the Lessee shall advance the amount thereof plus (to the extent indemnified under Section 6.01) interest, penalties and additions to tax with respect thereto to such Indemnified Person on an interest-bearing basis in accordance with the next sentence of this Section 6.03 and (z) the amount of all claims with respect to the audit at issue exceeds $5,000. Each such advance shall bear interest at the rate necessary to prevent such advance from being characterized as a below-market loan

under Section 7872 of the Code (or any successor provision) which interest payments shall be due in arrears at the conclusion of each six month interest period. Unless the Indemnified Person has repaid any advance pursuant to the last sentence of this Section 6.03, on the day that is ten years after the Lessee advances funds to the Indemnified Person pursuant to this Section 6, the Indemnified Person shall repay to the Lessee any such advance; provided, however, that if the Indemnified Person is required to repay such advance prior to a Final Determination of the underlying liability for the Taxes for which such advance was made, the Lessee shall be obligated, within 5 days of such repayment, to advance to the Indemnified Person an amount equal to such repayment on an interest-free basis, and at no net after-tax cost to such Indemnified Person. In a Lessee Controlled Contest, the Lessee may also contest, if permitted by applicable law, at its own expense, the validity, applicability or amount of such Taxes in the name of such Indemnified Person; provided that no proceeding or action relating to such contest shall be commenced (nor shall any pleading, motion, brief or other paper be submitted or filed in the name of such Indemnified Person in any such proceeding or action) (a) without the prior written consent of such Indemnified Person, such consent not to be unreasonably withheld (provided that it is understood that such Indemnified Person may impose reasonable conditions relating to the commencement and conduct of such contest as a condition to granting its consent), and (b) unless the conditions stated in clauses (w), (x) and (y) of the First sentence of this Section 6.03 are satisfied. In the case of any contest brought by the Lessee in accordance with the preceding sentence, the Indemnified Person shall cooperate with the Lessee by, at the Lessee's cost, providing to the Lessee all documents, reports and other information reasonably necessary in connection therewith and not involving the disclosure of proprietary information of a competitive or sensitive nature. An Indemnified Person will in good faith consult with the Lessee and its counsel regarding the conduct of any administrative or judicial contest and will not enter into any settlement or compromise with respect to any Tax that such Indemnified Person is required to contest hereunder that would give rise to an indemnifiable Tax under this Section without Lessee's prior written approval. In the event the Indemnified Person effects a settlement or compromise of any such contest, or otherwise terminates any such contest, without such prior written consent of the Lessee, such Indemnified Person shall pay to the Lessee an amount which shall equal the amounts theretofore paid by the Lessee pursuant to this Section 6 in respect of such claim;

provided, however, that such amounts shall not include costs and expenses paid by the Lessee relating to such contest. If in the course of contesting a claim for Taxes the Lessee believes that the appropriate taxing authority might compromise a proposed adjustment, the Lessee shall advise the Indemnified Person of the terms of the settlement proposal that the Lessee is then willing to make, and upon receipt of such notice the Indemnified Person will explore such settlement proposal with the relevant taxing authority. If a settlement proposal relates solely to Taxes for which the Lessee is liable hereunder and is acceptable to both the Lessee and the taxing authority, the Indemnified Person shall agree to the settlement proposal; provided, however, that the Indemnified Person shall not be obligated to formally propose or agree to a settlement if the Indemnified Person agrees that the amount of any Taxes in respect of such proposed claim shall be treated as the amount of such Taxes which would have been required if the settlement proposal had been made and accepted (in which case such agreement by the Indemnified Person shall be treated as a Final Determination and the Lessee shall indemnify the Indemnified Person for such amount); provided further, however, that an Indemnified Person may in its sole discretion accept or reject any such settlement proposal unless the Lessee, after receiving 5 days prior written notice from such Indemnified Person regarding the terms of such settlement proposal, acknowledges liability for the claim that is the subject of such settlement proposal. Notwithstanding anything contained in this Section 6.03, an Indemnified Person will not be required to contest the imposition of any Tax or agree to the settlement of any claim it would otherwise be required to contest or settle if such Indemnified Person (a) shall waive its right to indemnity under this Section 6 with respect to such Tax (and any related claim and any claim and any related claim made by a taxing authority with respect to other taxable years that is based, in whole or in part, on the resolution of such claim or such related claim, the contest of which is materially prejudiced by the resolution of such proposed adjustment, it being understood that the mere settlement of the claim (in the absence of, for example, legal authority, administrative practice or other similar authority to the contrary) shall not be considered materially prejudicial), and (b) shall pay to the Lessee any amount previously paid or advanced by the Lessee pursuant to this Section 6 with respect to the claim for such Tax that is being contested (which amount shall not include costs and expenses previously paid by the Lessee with respect to such contest). Upon a Final Determination of any contest in respect to which the Lessee shall have advanced funds to an Indemnified Person

then, to the extent such Final Determination is adverse, Lessee shall indemnify such Indemnified Person to the extent provided by this Agreement, and within 30 days after such Final Determination, such Indemnified Person shall offset from any funds advanced by the Lessee the amount for which the Lessee is required to indemnify such Indemnified Person and then shall, if any excess remains, repay to Lessee any funds advanced by Lessee, together with any related interest received (or saved) by such Indemnified Person as a result of such refund or Credit to the extent of such excess.

SECTION 6.04. Any payment which the Lessee shall be required to make to or for the account of any Indemnified Person with respect to any Tax which is subject to indemnification under this Section 6 shall (A) reflect any actual current savings (but only up to the amount of the Tax for which such Indemnified person is being indemnified) of such Indemnified Person resulting by way of deductions, credits or other tax benefits attributable to the payment (or accrual) of such indemnified Tax unless such deduction or credit or other tax benefit was taken into account in computing the payment which the Lessee is required to make with respect to any Tax which is subject to indemnification under this section by way of a deduction or credit against such Tax and (B) include the amount necessary to hold such Indemnified Person harmless on an after-tax basis from the amount of any federal, state, local or foreign taxes required to be paid by such Indemnified Person as the result of any such payment (it being understood that if the amount of such federal, state, local or foreign taxes payable, or the amount of any tax savings realized by an Indemnified Person as the result of making any payment required to be made to the Lessee pursuant to this Section 6.04, is less than the amount that would have been payable or realized had such Indemnified Person not been in a net operating loss position or subject to minimum taxes (or other similar situations reducing such taxes payable by such Indemnified Person), then appropriate payments shall be made by Lessee (or, if applicable, by such Indemnified Person) to such Indemnified Person (or, if applicable, to the Lessee) in subsequent years so that such Indemnified Person (or, if applicable, the Lessee) receives the full benefit of payments otherwise payable hereunder). If, by reason of any Tax payment made to or for the account of an Indemnified Person by the Lessee pursuant to this Section 6, such Indemnified Person currently or subsequently receives a refund (or any amount representing interest thereon), or realizes a tax benefit, savings, deduction or credit (including foreign tax credit) not previously taken into account in computing such payment,

such Indemnified Person shall promptly pay to the Lessee an amount equal to the sum of (I) the actual net reduction in Taxes, if any, realized by such Indemnified Person which is attributable to such deduction or credit (or, if applicable, the amount of such refund or interest net of expenses) and (II) the actual reduction in any Taxes realized by such Indemnified Person as the result of any payment made by such Indemnified Person pursuant to this sentence; provided, however, that such Indemnified Person shall not be obligated to make payment pursuant to this Section 6.04 with respect to any tax savings to the extent that the amount of such payment would exceed (x) the amount of all prior indemnity payments excluding all costs, expenses and advances relating to any contest made by the Lessee pursuant to this Section 6, less (y) the amount of all prior payments (or other credits for tax savings given) by such Indemnified Person to the Lessee hereunder (any such excess to be carried forward to reduce any subsequent obligations of the Lessee to indemnify such Indemnified Person); provided further, however, that the subsequent loss of any such tax benefit, savings, deductions or credit realized by the Indemnified Person shall be treated as a Tax for which the Lessee must indemnify such Indemnified Person pursuant to Section 6.01 without regard to exceptions (i), (iii), (vii) and (xi) therein. For purposes of the preceding sentence, items of foreign tax of any Indemnified Person shall be deemed to be utilized by such Indemnified Person as credits or deductions for Federal income tax purposes for any taxable year in accordance with the following priorities:

First, all available foreign taxes other than those described in the next two clauses of this sentence;

Second, all available foreign taxes attributable to any leasing or similar transaction entered into by such Indemnified Person or any member of any affiliated group (within the meaning of Section 1504 of the Code) filing a consolidated federal income tax return which includes the income of such Indemnified Person (the "Indemnified Group") with a person other than the Lessee and for which such member of such Indemnified Group was indemnified or held harmless by anyone in such transaction (other than a transaction (x) described in the next clause of this sentence or (y) in which the foreign tax credit ordering rules provide that foreign tax credits attributable to such transaction shall be taken into account ahead of other transactions in which such member of the Indemnified Group is being indemnified)

on a pari passu basis with any foreign tax credits attributable to any tax payment made to or for the account of such Indemnified Person pursuant to this Section 6; and

Third, all available foreign taxes attributable to any transaction entered into by any member of any Indemnified Group for which such member was indemnified or held harmless by anyone in such transaction and in which the tax credit ordering rules applicable to such indemnification specifically provide that foreign taxes attributable to such transaction shall be taken into account last (and not on a pari passu basis as hereinabove stated).

SECTION 6.05. In case any report or return is required to be made with respect to any obligation of the Lessee under this Section 6 or arising out of this Section 6, the Lessee shall either make such report or return in such manner as will show the interests of the Trustee or, if applicable, the Owner in the Units and, if requested, shall promptly provide a copy thereof to the Trustee or, if applicable, the Owner, or if not permitted by law to file the same shall promptly notify the Trustee, the Owner and the Vendor of such requirement and shall make such report or return in such manner as shall be satisfactory to the Trustee, the Owner and the Vendor. All costs and expenses (including legal and accountants' fees) of preparing any such return or report shall be borne by the Lessee. If an Indemnified Person has actual notice that a report, return, statement, or other information is required with respect to any Tax other than Taxes required to be reported on a return in the name of such Indemnified Person or any of its Affiliates reporting transactions other than those contemplated by the Documents, or that a taxing authority has made a claim for payment of such Tax, it shall promptly so notify the Lessee, shall furnish the Lessee with copies of the relevant portions of all written communications from any taxing authority relating to such Tax, and, if requested by the Lessee, shall request such taxing authority to contact the Lessee regarding such information relating to the transactions contemplated by the Documents.

SECTION 6.06. All the obligations of the Lessee and each Indemnified Person under this Section 6 shall survive and continue, notwithstanding termination of this Lease. All amounts payable by the Lessee pursuant to this Section 6 shall be payable directly to the Indemnified

Person entitled to indemnification, except to the extent paid to a governmental agency or taxing authority.

SECTION 6.07. The Lessee shall furnish promptly, upon request, such information and data as are normally available to the Lessee and which the Vendor or the Owner reasonably may require to permit compliance with the requirements of any taxing authorities.

Section 6.08 Notwithstanding anything in this Lease or in any of the other Documents to the contrary, if, on the date any payment is required to be made by either party under this Section 6, there shall have occurred and be continuing a Default or an Event of Default with respect to the obligations of the payee hereunder, then such payment shall not be required unless and until the payee shall have cured such Default or Event of Default.

SECTION 7.01. Casualty Occurrences; Terminations and Insurance. In the event that any Unit shall be or become worn out, lost, stolen, destroyed, irreparably damaged, or permanently rendered unfit for use from any cause whatsoever, taken or requisitioned by condemnation or otherwise resulting in loss of possession by the Lessee for a period of 90 consecutive days, except requisition for use by the United States Government for a period not in excess of the then remaining term of this Lease, ("Casualty Occurrence") during the term of this Lease or until such Unit shall have been returned in the manner provided in Section 11 or Section 14 hereof, the Lessee shall within 60 days after the Lessee has determined that a Casualty Occurrence has occurred notify the Trustee and the Vendor with respect thereto. On the rental payment date next succeeding the delivery of such notice (or, in the event such rental payment date will occur within 15 days after delivery of notice, on the following rental payment date, or, in the event the term of this Lease has already expired or will expire within 15 days after delivery of such notice, on a date within 15 days of such delivery) ("Casualty Payment Date"), the Lessee shall pay to the Trustee on such Casualty Payment Date a sum equal to the Casualty Value of such Unit as of such Casualty Payment Date plus any arrears rent due in respect of such Unit. Upon the making of such payment by the Lessee in respect of any Unit, the rental for such Unit shall cease to accrue as of such Casualty Payment Date, the term of this Lease as to such Unit shall terminate and (except in the case of the loss, theft or complete destruction of such Unit) the Trustee shall be entitled to

recover possession of such Unit. If the Casualty Payment Date shall be after the term of this Lease in respect of such Unit has expired, no rental for such Unit shall accrue after the end of such term, but, in addition to paying the Casualty Value for such Unit, the Lessee shall pay interest thereon from the end of such term to the Casualty Payment Date at the rate of 9.48% per annum.

SECTION 7.02. The Trustee hereby appoints the Lessee its agent to dispose of any Unit suffering a Casualty Occurrence or any component thereof, before or after the expiration of this Lease, at the best price obtainable on an "as is, where is" basis. Provided that the Lessee has previously paid the Casualty Value and accrued rentals to the Trustee and is not in default hereunder or an event which after notice or lapse of time or both would become a default hereunder and is not continuing, the Lessee shall be entitled to the proceeds of such sale to the extent they do not exceed the Casualty Value of such Unit and accrued rentals, and shall pay any excess, less reasonable expenses incurred in connection therewith, to the Trustee. All proceeds due to the Lessee in respect to any AAR interline settlement in respect of a Casualty Occurrence shall be for the account of the Lessee provided the Lessee has paid the Casualty Value in respect thereof and accrued rentals; but if the Lessee fails to so pay such Casualty Value, all such proceeds shall be for the account of the Trustee to the extent of the Casualty Value and accrued rentals.

SECTION 7.03. The Casualty Value of each Unit as of the Casualty Payment Date for each such Unit shall be that percentage of the Purchase Price of such Unit as is set forth in Schedule C hereto opposite such date.

SECTION 7.04. In the event of the requisition for use by the United States Government (the "Government") of any Unit during the term of this Lease or any renewal thereof, unless such requisition shall constitute a Casualty Occurrence, all of the Lessee's obligations under this Lease with respect to such Unit shall continue to the same extent as if such requisition had not occurred, except that if such Unit is returned by the Government at any time after the end of the term of this Lease, the Lessee shall be obligated to return such Unit to the Trustee pursuant to Section 11 or Section 14 hereof, as the case may be, promptly upon such return by the Government rather than at the end of the term of this Lease; but the Lessee shall in all other respects comply with the provisions of said Section 11 or Section 14, as the case may be, with respect to such Unit. All payments

received by the Trustee or the Lessee from the Government for the use of such Unit during the term of this Lease shall be paid over to, or retained by, the Lessee provided no Event of Default (or other event which after notice or lapse of time or both would become an Event of Default) shall have occurred and be continuing; and all payments received by the Trustee or the Lessee from the Government for the use of such Unit after the term of this Lease, shall be paid over to, or retained by, the Trustee.

SECTION 7.05. Except as hereinabove in this Section 7 provided, the Lessee shall not be released from its obligations hereunder in the event of, and shall bear the risk of, any Casualty Occurrence to any Unit from and after delivery and acceptance thereof by the Lessee hereunder.

SECTION 7.06. In the event that the Lessee shall, in its sole good faith opinion as evidenced by a certificate of an officer of the Lessee, determine that all and not less than all of the Units of any Type have become obsolete or surplus, the Lessee shall have the right, at its option and on at least 120 days', but not more than 360 days', prior written notice to the Trustee, to terminate (herein called a "Surplus Termination") this Lease as to such Units as of any succeeding rent payment date specified in such notice (the "Termination Date"); provided, however, that (i) the Termination Date shall be after December 31, 1999, (ii) no Default shall have occurred and be continuing and (iii) on the Termination Date each such Unit shall be in the same condition as if being redelivered pursuant to Section 14 hereof.

SECTION 7.07. During the period from the 30th day after the giving of such notice until the fifth business day preceding any Termination Date, the Lessee shall (unless such Termination shall be a Buyout Termination, as such term is defined in Section 7.08) use its best efforts to obtain bids for the purchase of all Units subject to such Termination, and the Lessee shall at least five business days prior to such Termination Date certify to the Trustee the amount of each such bid and the name and address of the party (which shall not be a corporation or individual controlling, controlled by or under common control with the Lessee ("affiliate") or any party from whom the Lessee or any such affiliate intends thereafter to lease or acquire such Unit) submitting such bid. The Trustee or the Owner may, but shall not be obligated to, solicit such bids. On such Termination Date the Trustee shall sell all such Units for cash to the bidder who shall have submitted the highest bid prior to such Termination

Date, other than a bidder which is related to or affiliated with the Lessee or has any arrangement with the Lessee with respect to such Units. The total sale price realized at each such sale shall be applied to the prepayment of the CSA Indebtedness in accordance with Article 7 of the CSA and any balance shall be retained by the Trustee.

SECTION 7.08 The Lessee shall have the right, at its option and on at least 180 days', but not more than 360 days', prior written notice to the Trustee, to terminate (herein called a "Buy Out Termination"; Buy Out Terminations and Surplus Terminations are sometimes herein called "Terminations") this Lease as to all but not less than all the Units of any Type as of August 27, 2007; provided, however, that no Default shall have occurred and be continuing on said date (a "Termination Date"). Upon a Buy Out Termination, the Lessee may purchase all, but not less than all, Units of any such Type for 52.17% of their original Purchase Price ("Buy Out Amount").

SECTION 7.09. On any Termination Date, the Lessee shall pay to the Trustee (i) any rental payment due in arrears on such Termination Date, (ii) in the case of a Termination (other than a Buyout Termination), the excess, if any, of the Termination Value for each such Unit computed as of such date over the sale price of such Unit received by the Trustee (pursuant to Section 7.07) after the deduction of all expenses incurred by the Trustee in connection with such sale, and (iii) an amount equal to the applicable prepayment premium, if any, payable pursuant to Article 7 of the CSA on such date in respect of the CSA Indebtedness to be prepaid by the Trustee on such date. The Termination Value of each such Unit as of the payment date on which payment is to be made shall be that percentage of the Purchase Price of such Unit as is set forth in Schedule C hereto opposite such date. In no event shall the aggregate amount retained by the Trustee and received by the Trustee as aforesaid be less than the applicable CSA Termination Value (as defined in the CSA) as of such date.

SECTION 7.10. If no sale or retention pursuant to Section 7.12 hereof shall occur on the date scheduled therefor as provided above, this Lease shall continue in full force and effect without change unless and until the Lessee pays to the Trustee all applicable amounts specified in Section 7.09 for each Unit subject to the Termination and returns each such Unit to the Trustee pursuant to Section 14 hereof.

SECTION 7.11. In the event of any such sale and the receipt by the Trustee of the applicable amounts specified in Section 7.09, the obligation of the Lessee to pay rent pursuant to Section 3 hereof in respect of such Unit on each rental payment date shall continue to and including the Termination Date but shall then terminate, and the Lessee shall not be required to pay any advance rental. The Trustee shall be under no duty to solicit bids, to inquire into the efforts of the Lessee to obtain bids or otherwise to take any action or incur any cost or expense in connection with any sale other than to transfer or to cause to be transferred all the Trustee's right, title and interest in and to such Unit to the purchaser named in the highest bid certified by the Lessee to the Trustee as provided pursuant to Section 7.07. Any such sale shall be free and clear of all the Lessee's rights to such Unit, but otherwise shall be made without warranties other than against the Trustee's acts, excluding any acts giving rise to claims with respect to which the Lessee has agreed to indemnify the Trustee hereunder.

SECTION 7.12. If the Lessee shall exercise its option to terminate as to any Unit pursuant to Section 7.06, the Trustee may, notwithstanding Section 7.07, by written notice to the Lessee given within 90 days after the termination notice is given to the Trustee, elect to retain such Unit, in which case the Lessee shall not be obligated to pay the Termination Value to the Trustee; provided, however, that this Lease shall not terminate as to, and the Trustee may not retain, such Unit unless the CSA Indebtedness in respect of such Unit is prepaid by the Trustee on the Termination Date as required pursuant to Article 7 of the CSA. In the event the Trustee shall so elect to retain such Unit, the Lessee shall deliver such Unit to the Trustee in accordance with the provisions of Section 14 hereof.

SECTION 7.13. The Lessee shall at all times while this Lease is in effect cause to be carried and maintained public liability insurance with respect to each Unit in such amounts, with such deductibles and against such risks as are customarily insured against and with such insurance companies of recognized responsibility as is usually carried by businesses of established reputation engaged in the same or similar business as the Lessee and similarly situated, and in any event, in amounts not less than and against such risks so as to be no less protective than the insurance, if any, maintained by the Lessee with respect to similar equipment owned or leased by the Lessee. Each policy with respect to such insurance shall (i) name the Trustee, both

in its individual and trust capacity, the Owner and the Agent as additional insureds, as their respective interests may appear, (ii) not require premiums, commissions and assessments from any additional insured, (iii) not require contribution from any other insurance coverage purchased by any additional insured, (iv) provide that no cancellation or material change shall be effective as to any insured until at least 30 days after the Trustee's, the Owner's and the Agent's receipt of written notice thereof, and (v) waive any right of subrogation against any additional insured. The Lessee shall, on or before May 1 of each calendar year commencing with 1990 and from time to time upon request of the Trustee, the Owner or the Vendor, furnish appropriate evidence of all insurance maintained hereunder. The Trustee, the Owner and the Vendor shall each have the right (but shall have no duty to) to maintain at its expense any casualty insurance on the Equipment for the purpose of protecting the fair value of the Units, provided, that such casualty insurance would not in any way impair any insurance required to be maintained by the Lessee hereunder. The parties hereto shall cooperate with each other to effectuate the purposes of the preceding sentence.

SECTION 8.01. Reports. On or before May 1 in each year, commencing with the calendar year 1991, the Lessee will furnish to the Trustee, the Owner and the Vendor an accurate statement (a) setting forth as at the preceding December 31 the amount, description and numbers of all Units then leased hereunder and covered by the CSA, the amount, description and numbers of all Units that have suffered a Casualty Occurrence during the preceding calendar year or, in the case of the first such statement, since the date of this Lease (specifying the dates of such Casualty Occurrences) and such other information regarding the condition and state of repair of the Units as the Trustee, the Owner or the Vendor may reasonably request and (b) stating that, in the case of all Units repainted or repaired during the period covered by such statement, the numbers and the markings required by Section 5 hereof and the CSA have been preserved or replaced. The Trustee shall have the right (but not any obligation) by its agents to inspect the Units and the Lessee's records with respect thereto at such reasonable times as the Trustee may request during the continuance of this Lease.

SECTION 8.02. The Lessee will at its expense prepare and deliver to the Trustee within a reasonable time prior to the required date of filing (or, to the extent permissible, file on behalf of the Trustee) any and all

reports (other than income tax returns except as provided in Section 6 hereof) to be filed by the Trustee with any Federal, state or other regulatory authority by reason of the ownership by the Trustee or the Vendor of the Units or the leasing thereof to the Lessee.

SECTION 9.01. Disclaimer of Warranties; Compliance with Laws and Rules; Maintenance; Indemnification. THE TRUSTEE DOES NOT MAKE, HAS NOT MADE OR SHALL NOT BE DEEMED TO MAKE OR HAVE MADE, ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE DESIGN, COMPLIANCE WITH SPECIFICATIONS, VALUE, OPERATION OR CONDITION OF, OR AS TO THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE UNITS OR ANY COMPONENT THEREOF DELIVERED TO THE LESSEE HEREUNDER, AND THE TRUSTEE DOES NOT MAKE ANY WARRANTY OF MERCHANTABILITY OR FITNESS OF THE UNITS OR ANY COMPONENT THEREOF FOR ANY PARTICULAR PURPOSE OR AS TO TITLE TO THE UNITS OR ANY COMPONENT THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO ANY UNIT OR ANY COMPONENT THEREOF (EITHER UPON DELIVERY THEREOF TO THE LESSEE OR OTHERWISE), it being agreed that all such risks, as between the Trustee and the Lessee, are to be borne by the Lessee; but the Trustee hereby irrevocably appoints and constitutes the Lessee its agent and attorney-in-fact during the term of this Lease, so long as no Event of Default shall have occurred and be continuing, to assert and enforce from time to time, in the name of and for the account of the Trustee and/or the Lessee, as their interests may appear, at the Lessee's sole cost and expense, whatever claims and rights (including warranty or similar claims) the Trustee may have against the Seller or the Manufacturer(s) of any Units or any components thereof. The Lessee shall be obligated to assist diligently with respect to any such claims and to use the proceeds, if applicable, for the repair or restoration of the Units affected thereby. The Trustee shall have no responsibility or liability to the Lessee or any other person with respect to any of the following: (i) any liability, loss or damage caused or alleged to be caused directly or indirectly by any Units or by any inadequacy thereof or deficiency or defect therein or by any other circumstance in connection therewith including strict liability in tort; (ii) the use, operation or performance of any Units or any risks relating thereto; (iii) any interruption of service, loss of business or anticipated profits or consequential damages; or (iv) the delivery, operation, servicing, maintenance, repair, improvement or replacement of any Units. The Lessee's delivery of a Certificate of Acceptance shall be conclusive evidence as between the Lessee and the Trustee that the Units described

therein are in all the foregoing respects satisfactory to the Lessee; and the Lessee will not assert any claim of any nature whatsoever against the Trustee based on any of the foregoing matters.

SECTION 9.02. The Lessee will, for the benefit of the Trustee, the Owner and the Vendor, comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each Unit) with all laws of the jurisdictions in which operations involving the Units may extend, with the Rules of the Association of American Railroads (except as indicated in Schedule A hereto) and with all lawful rules of the United States Department of Transportation , the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Units, to the extent that such laws and rules affect the title, operation or use of the Units (all such laws and rules to such extent being hereinafter called "Applicable Laws") and in the event that Applicable Laws require any alteration, replacement, modification or addition of or to any part of any Unit, the Lessee will fully conform therewith at its own expense; provided, however, that the Lessee may upon written notice to the Trustee and the Vendor, in good faith, contest the validity or application of any such Applicable Laws in any reasonable manner which does not, in the opinion of the Trustee or the Vendor, adversely affect the property or rights of the Trustee or the Vendor, respectively, under this Lease or under the CSA.

SECTION 9.03. The Lessee shall, at its own cost and expense, maintain and keep, or cause to be maintained and kept, each Unit (including any Parts (as defined in Section 9.06) installed on or replacements made to any Unit and considered an accession thereto as hereinbelow provided) which is subject to this Lease in such condition as the Lessee would, in the prudent management of its own business, maintain and use similar equipment owned or leased by the Lessee, consistent with prudent industry practice but in any case so as to maintain each Unit in good operating order, repair and condition, ordinary wear and tear excepted.

SECTION 9.04. The term "Units" as used in this Lease shall not include any special devices, racks (including, but not limited to, automobile-carrying superstructures) or assemblies at any time attached to any Unit, the cost or purchase price of which is not included in the Purchase Price of the Units or the title to which is in a person other than the Trustee (all of which are hereinafter

called "Property Owned by Others"). The Trustee and the Lessee recognize that such special devices, automobile-carrying superstructures and other assemblies may be attached to the Units and may be owned and financed by persons other than the Trustee or the Lessee. The Trustee expressly acknowledges, for the purpose of assurance of any such persons and for the purpose of inducing attachment of such special devices, automobile-carrying superstructures and other assemblies to the Units, that the Trustee has no rights therein and that such persons may, at their own cost and expense, upon written notice to the Trustee and the Vendor, remove such special devices, automobile-carrying superstructures and other assemblies from the Units. The Lessee represents and warrants that it will, at the time of termination of this Lease (i) cause all Property Owned by Others to be removed from the Units, (ii) repair all damage, if any, caused by such removal, and (iii) after such removal, the value or utility of the Unit to which it was attached will not be diminished or impaired from what such value or utility would have been if such Property of Others had not been attached thereto.

SECTION 9.05. The Lessee and its affiliates, at their own cost and expense, may from time to time make such other alterations, modifications and additions at any time attached or affixed to any Unit, the cost of which is not included in the Purchase Price of such Unit and which are not required for the operation or use of such Unit by the Interstate Commerce Commission, the United States Department of Transportation or any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over such Unit (hereinafter collectively called "Additions") to the Units as the Lessee may deem desirable in the proper conduct of its business so long as such Additions shall not be inconsistent with the continuing operation of the Units and shall not diminish the useful life, value, utility or condition of the Units below the useful life, value, utility and condition thereof immediately prior to the making of such Additions, assuming the Units were then in the condition required to be maintained by the terms of this Lease; provided, however, that, without the prior written consent of the Trustee, no such Addition shall be made if it is not readily removable from the Unit to which it relates without material damage thereto or without diminishing or impairing the useful life, value or utility which the Unit would have had immediately prior to such time had such Addition not been made.

SECTION 9.06. Title to all Parts (as hereinbelow defined) incorporated in or installed as part of a Unit shall without further act vest in the Trustee and be subject to a valid first lien and prior perfected security interest under the CSA in the following cases: (i) such Part is in replacement of or in substitution for, and not in addition to, any Part originally incorporated in or installed as part of such Unit at the time of the acceptance thereof hereunder or any Part in replacement of, or in substitution for any such original Part, (ii) such Part is required to be incorporated in or installed as part of such Unit pursuant to the terms of Section 9.02 or Section 9.03, or (iii) notwithstanding the provisions of Section 9.05, such Part cannot be readily removed from such Unit to which it relates without material damage thereto and without diminishing or impairing the value or utility which such Unit shall have had at such time had such alteration or addition not occurred. In all other cases, if no Event of Default, or event which with notice or lapse of time or both would constitute an Event of Default shall have occurred and be continuing, title to Parts incorporated in or installed as parts of the Units as a result of such alterations or additions shall vest in the Lessee. The term Part for the purposes of this paragraph and Section 14 hereof shall be defined to include any appliance, part, instrument, accessory, furnishing or other equipment of any nature which may from time to time be incorporated in or installed as part of any Unit other than Property Owned by Others.

SECTION 9.07. The Lessee shall pay, and shall protect, indemnify and hold each Indemnified Person, harmless from and against any and all causes of action, suits, penalties, claims, demands or judgments, of any nature whatsoever which may be imposed on, incurred by or asserted against any Indemnified Person (including any or all liabilities, obligations, damages, costs, disbursements, expenses including without limitation attorneys' fees and expenses of any Indemnified Person relating thereto) in any way relating to or arising or alleged to arise out of this Lease, the Participation Agreement, the CSA or any other agreement contemplated hereby, or the Units, including without limitation those in any way relating to or arising or alleged to arise out of (i) the manufacture, construction, purchase, acceptance, rejection, ownership, delivery, nondelivery, lease, possession, use, operation, condition, sale, return or other disposition of any Unit or portion thereof; (ii) any latent or other defects whether or not discoverable by any Indemnified Person or the Lessee; (iii) any claim for patent, trademark or copyright infringement; (iv) any claims

based on strict liability in tort or by statute imposed; (v) any injury to or the death of any person or any damage to or loss of property on or near the Units or in any manner growing out of or concerned with, or alleged to grow out of or be connected with, the ownership, use, replacement, adaptation or maintenance of the Units or of any other equipment in connection with the Units (whether owned or under the control of the Trustee, the Lessee or any other person) or resulting or alleged to result from the condition of any thereof; (vi) any misrepresentation by the Lessee under this Lease or the Participation Agreement or any violation, or alleged violation, of any provision of this Lease, the Participation Agreement or any other Lessee Document (except by the person seeking indemnity) or of any agreement, law, rule, regulation, ordinance or restriction, affecting or applicable to the Units or the leasing, ownership, use, replacement, adaptation or maintenance thereof; (vii) any claim arising out of any of the Trustee's obligations under the Lease Assignment, the CSA or the Participation Agreement, except to the extent such claim arises from an act or omission of the party claiming indemnification; (viii) any claim arising out of the Vendor's holding a security interest under the CSA or the Lease Assignment or (ix) any amendment, modification, waiver or consent requested by or consented to by the Lessee or (x) the offer, sale or delivery of the CSA Indebtedness or any indebtedness issued in replacement thereof or (xi) any offer or sale of any equity interest in this transaction by or on behalf of the Lessee prior to the commencement of this Lease (all of which matters hereinabove set forth in this paragraph being hereinafter called "Indemnified Matters"). All payments hereunder shall be made directly to the Indemnified Person irrespective of whether an Event of Default shall have occurred hereunder. The Lessee shall be obligated under this Section 9, irrespective of whether any Indemnified Person shall also be indemnified with respect to the same matter under any other agreement by any other person, and the Indemnified Person seeking to enforce the indemnification may proceed directly against the Lessee under this Section 9 without first resorting to any such other rights of indemnification. In case any action, suit or proceeding is brought against any Indemnified Person in connection with any Indemnified Matter, the Lessee may and, upon such Indemnified Person's request, will at the Lessee's expense resist and defend such action, suit or proceeding, or cause the same to be resisted or defended by counsel selected by the Lessee and approved by such Indemnified Person, as the case may be, and, in the event of any failure by the Lessee to do so, the Lessee shall pay all costs and expenses

(including without limitation attorneys' fees and expenses) incurred by such Indemnified Person in connection with such action, suit or proceeding. In the event the Lessee is required to make any payment under this Section 9, the Lessee shall pay such Indemnified Person an amount which, after deduction of all taxes required to be paid by such Indemnified Person in respect of the receipt thereof under the laws of the United States or of any political subdivision thereof (after giving credit for any savings in respect of any such taxes by reason of deductions, credits or allowances in respect of the payment of the expense indemnified against, and of any other such taxes as determined in the sole discretion of the Indemnified Person), shall be equal to the amount of such payment. The Lessee and the Trustee each agrees to give each other promptly upon obtaining knowledge thereof written notice of any claim or liability hereby indemnified against. Upon the payment in full of any indemnities as contained in this Section 9 by the Lessee, and provided that no Event of Default (or other event which with lapse of time or notice or both would constitute an Event of Default) shall have occurred and be continuing, it shall be subrogated to any right of such Indemnified Person in respect of the Indemnified Matter against which indemnity has been given. Any payments received by such Indemnified Person from any person (except the Lessee) as a result of any Indemnified Matter with respect to which such Indemnified Person has been indemnified by the Lessee pursuant to this Section 9 shall be paid over to the Lessee to the extent necessary to reimburse the Lessee for indemnification payments previously made in respect of such matter.

SECTION 9.08. The indemnities contained in this Section 9 shall survive the expiration or termination of this Lease with respect to all events, facts, conditions or other circumstances occurring or existing prior to such expiration or termination and are expressly made for the benefit of, and shall be enforceable by any Indemnified Person. None of the indemnities in this Section 9 shall be deemed to create any rights of subrogation in any insurer or third party against the Lessee or the Trustee therefor, from or under any Indemnified Person, whether because of any claim paid or defense provided for the benefit thereof or otherwise. The foregoing indemnities by the Lessee shall not constitute a guarantee by the Lessee of the payment of any installments of principal or interest payable under the CSA or a guarantee of the residual value of the Equipment.

SECTION 10.01 Default. If, during the continuance of this Lease, one or more of the following events (each such event being herein sometimes called an "Event of Default") shall occur:

A. payment of any part of the rental provided in Section 3 or Section 13 hereof or payment in respect of any Casualty Occurrence or Termination pursuant to Section 7 hereof shall not be made by or on behalf of the Lessee and such failure to make payment shall continue for 5 business days; or

B. default shall be made in the observance or performance of any other of the material terms (including payment of insurance premiums), covenants and conditions on the part of the Lessee contained herein or in the Participation Agreement or the Consent, and such default shall continue for 30 days after written notice from the Trustee or the Vendor to the Lessee (but with respect to any payment due directly to the Trustee or the Owner including amounts of interest payable as additional rent in accordance with the terms of the Tax Indemnity Agreement, such notice may be sent only by the Owner) specifying the default and demanding that the same be remedied, unless such default is capable of being cured, action has been taken within such 30 day period to commence such cure and such action is being diligently pursued (but in any event not longer than 180 days); or

C. any representation or warranty made by the Lessee herein or in the Consent or in the Participation Agreement or in any agreement, document or certificate required to be delivered by the Lessee pursuant hereto or thereto shall prove to have been incorrect in any material respect when made or given and the Lessee shall not remedy the situation in a manner satisfactory to the Trustee within 30 days after written notice thereof from the Trustee, unless such breach is capable of being cured, action has been taken within such 30 day period to commence such cure and such action is being diligently pursued (but in any event not longer than 180 days); or

D. any proceeding shall be commenced by or against the Lessee for any relief which includes, or might result in, any modification of the obligations of the Lessee under this Lease, the Participation Agreement or the Consent under any bankruptcy or insolvency

laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements , compositions or extensions (other than a law which does not permit any readjustments of such obligations), and, unless such proceeding shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Lessee under this Lease, under the Participation Agreement or under the Consent, as the case may be, shall not be and shall not continue to be duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed (whether or not subject to ratification) for the Lessee or for the property of the Lessee in connection with any such proceeding in such manner that such obligations shall have the same status as expenses of administration and obligations incurred by such a trustee or trustees or receiver or receivers, within 60 days after such proceedings shall have been commenced; or

E. an event of default set forth in Article 15 of the CSA shall have occurred resulting directly from any default by the Lessee in performing any of its obligations hereunder or under the Participation Agreement;

then, in any such case, the Trustee at its option, may,

(a) proceed by appropriate court action or actions either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof; or

(b) by notice in writing to the Lessee terminate this Lease with respect to any or all of the Units, whereupon all rights of the Lessee to the use of such Units shall absolutely cease and terminate as though this Lease had never been made, but the Lessee shall remain liable as herein provided; and thereupon the Trustee may by its agents enter upon the premises of the Lessee or other premises where any of such Units may be and take possession of all or any of such Units and thenceforth hold, possess, sell, operate, lease to others and enjoy the same free from any right of the Lessee, or its successors or assigns, to use such Units for any purposes whatever and without any duty to account to the Lessee for such action or inaction or for any proceeds arising therefrom; but the Trustee

shall, nevertheless, have a right to recover from the Lessee any and all amounts which under the terms of this Lease may be then due or which may have accrued to the date of such termination (computing the rental for any number of days less than a full rental period by multiplying the rental for such full rental period by a fraction of which the numerator is such number of days and the denominator is the total number of days in such full rental period) in respect of such Units and also to recover forthwith from the Lessee as damages for loss of the bargain and not as a penalty, whichever of the following amounts the Trustee, in its sole discretion, shall specify: (x) a sum with respect to each such Unit which represents the excess of (1) the present value, at the time of such termination, of the entire unpaid balance of all rentals for such Unit which would otherwise have accrued hereunder from the date of such termination to the end of the term of this Lease as to such Unit over (2) the then present value of the rentals which the Trustee reasonably estimates to be obtainable for each such Unit during such period, such present value to be computed in each case on the basis of a 6% per annum discount, compounded semiannually from the respective dates upon which rentals would have been payable hereunder had this Lease not been terminated, together with any damages and expenses, including reasonable attorneys' fees, in addition thereto which the Trustee shall have sustained by reason of the breach of any covenant, representation or warranty of this Lease other than for the payment of the rental; or (y) an amount equal to the excess, if any, of the Casualty Value of each such Unit as of the rental payment date on or next preceding the date of termination over the amount the Trustee reasonably estimates to be the sales value (after deduction of all estimated expenses of such sale) of such Unit at such time; provided, however, that in the event the Trustee shall have sold any such Unit, the Trustee, in lieu of collecting any amounts payable to the Trustee by the Lessee pursuant to the preceding clauses (x) and (y) of this part (b) with respect to such Unit, may, if it shall so elect, demand that the Lessee pay to the Trustee, and the Lessee shall pay to the Trustee on the date of such sale, as liquidated damages for loss of a bargain and not as a penalty, an amount equal to the excess, if any, of the Casualty Value for such Unit, as of the rental payment date on or next preceding the date of termination, over the net proceeds of such sale.

In addition, the Lessee shall be liable, except as otherwise provided above, for any and all unpaid amounts due hereunder before, during or after the exercise of any of the foregoing remedies and for all reasonable attorneys' fees and other costs and expenses incurred by reason of the occurrence of any Event of Default or the exercise of the Trustee's remedies with respect thereto, including all costs and expenses incurred in connection with the return of any Unit.

SECTION 10.02. The remedies in this Lease provided in favor of the Trustee shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in its favor existing at law or in equity. The Lessee hereby waives any requirements of law, now or hereafter in effect, which might limit or modify the remedies herein provided, to the extent that such waiver is permitted by law. The Lessee hereby waives any and all existing or future claims to any offset against the rental payments due hereunder and agrees to make rental payments regardless of any offset or claim which may be asserted by the Lessee or on its behalf.

SECTION 10.03. The failure of the Trustee to exercise, or the delay by the Trustee in exercising, the rights granted it hereunder upon the occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies; and a waiver of any such right on one occasion shall not constitute a waiver of such right as to any other occasion and shall not be effective unless in writing signed by the Trustee.

SECTION 10.04. The Lessee also agrees to furnish the Trustee, the Owner and the Vendor, promptly upon any responsible officer's acquiring actual knowledge of any condition which constitutes an Event of Default hereunder or which, after notice or lapse of time or both, would constitute such an Event of Default, written notice specifying such condition and the nature and status thereof. For the purposes of this Section 10, a "responsible officer" shall mean, with respect to the subject matter of any covenant, agreement or obligation of the Lessee, any corporate official of the Lessee who in the normal performance of his operational responsibilities would have knowledge of such matter and the requirements of this Lease with respect thereto.

SECTION 11.01. Return of Units Upon Default. If this Lease shall terminate in respect of any of the Units pursuant to Section 10 hereof, the Lessee shall forthwith deliver possession of such Units to the Trustee and shall give prompt telegraphic and written notice to the Association of American Railroads and all railroads having possession of any Unit so to return such Units. Each Unit returned to the Trustee pursuant to this Section 11 shall (i) be in the same operating order, repair and condition as when originally delivered to the Lessee, reasonable wear and tear excepted, (ii) have attached or affixed thereto any Part title to which is in the Trustee pursuant to Section 9 hereof and have removed therefrom at Lessee's expense any Part or Addition title to which is in the Lessee or any other person pursuant to such Section 9 and any Property Owned by Others, and (iii) meet the standards then in effect under the Interchange Rules of the Association of American Railroads (except as set forth in Schedule A hereto), if applicable, or such comparable standards as may then be in effect. For the purpose of delivering possession of any such Unit or Units to the Trustee as above required, the Lessee shall at its own cost, expense and risk:

(a) forthwith and in the usual manner cause such Units to be transported to such location as shall reasonably be designated by the Trustee and there assembled,

(b) furnish and arrange for the Trustee to store such Units on any lines of railroad or premises approved by the Trustee until such Units have been sold, leased or otherwise disposed of by the Trustee, and

(c) cause such Units to be moved to such interchange point or points as shall be designated by the Trustee upon any sale, lease or other disposal of all or any of such Units.

The assembling, delivery, maintenance, storage and transporting of the Units as hereinbefore provided shall be at the expense and risk of the Lessee (and the Lessee will during this period maintain the insurance required by Section 7 of this Lease to be maintained) and are of the essence of this Lease; and, upon application to any court of equity having jurisdiction in the premises, the Trustee shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver, store and transport the Units. During any storage period, the Lessee will permit the Trustee or

any person designated by it, including the authorized representative or representatives of any prospective purchaser or lessee of any such Unit, to inspect the same. In the event that any of the Units are sold, the Lessee shall pay to the Trustee the per diem interchange for each such Unit which shall not have been assembled, delivered and stored, as hereinbefore provided, by the date of such sale for each day from the date of such sale to the date of delivery to the purchaser thereof.

SECTION 11.02. Without in any way limiting the obligation of the Lessee under the foregoing provisions of this Section 11, the Lessee hereby irrevocably appoints the Trustee as the agent and attorney of the Lessee, with full power and authority, at any time while the Lessee is obligated to deliver possession of any Unit to the Trustee, to demand and take possession of such Unit in the name and on behalf of the Lessee from whomsoever shall be in possession of such Unit at the time.

SECTION 12.01. Assignment; Sublease; Possession and Use. This Lease shall be assignable in whole or in part by the Trustee to another trustee without the consent of the Lessee; but the Lessee shall be under no obligation to any assignee of the Trustee other than the Vendor except upon written notice of such assignment from the Trustee. All the rights of the Trustee hereunder and obligations of the Lessee (including, but not limited to, the rights under Sections 6, 7 and 10 and the rights to receive the rentals payable under this Lease) shall inure to the benefit of the Owner and the Trustee's assigns.

SECTION 12.02. So long as no Event of Default or event of default exists hereunder or under the CSA and the Lessee shall have fully complied with the provisions of this Section 12, the Lessee shall be entitled to the possession of the Units and also to sublease, for a term which does not exceed the term of this Lease, the Units to, or to permit their use under the terms of car contracts by, a sublessee or user incorporated in the United States of America (or any State thereof or the District of Columbia) or Canada (or any Province thereof) or Mexico, upon lines of railroad owned or operated by a railroad company or companies incorporated in the United States of America (or any State thereof or the District of Columbia) or Canada (or any Province thereof) or Mexico, or over which such railroad company or companies have trackage rights or rights for operation of their trains, and upon connecting and other carriers in the usual interchange of traffic in the continental United States,

only upon and subject to all the terms and conditions of this Lease; provided, however, that if the Lessee subleases, uses or permits the use of any Unit in Canada (or any Province or Territory thereof) or Mexico, the Lessee shall, except as otherwise provided in Section 15 hereof, first have (a) taken all necessary action to protect the right, title and interest of the Trustee and the Vendor in the Units to be so subleased or used and (b) furnished the Trustee and the Vendor with an Opinion of Canadian counsel or Mexican counsel, as the case may be, satisfactory to the Trustee and the Vendor to the effect that such action is all that is necessary to protect the right, title and interest of the Trustee and the Vendor in such Units.

SECTION 12.03. Any such sublease may provide that the sublessee, so long as it shall not be in default under such sublease, shall be entitled to the possession of the Units included in such sublease and the use thereof; provided, however, that every such sublease shall be subject to the rights and remedies of the Vendor under the CSA and the Trustee under this Lease in respect of the Units covered by such sublease upon the occurrence of an event of default thereunder or an Event of Default hereunder.

SECTION 12.04. The Lessee, at its own expense, will as soon as possible cause to be duly discharged any lien, charge, security interest or other encumbrance (except any sublease or car contract as aforesaid and other than an encumbrance resulting from claims against the Trustee or the Vendor not related to the ownership or leasing of, or the security interest of the Vendor in, the Units) which may at any time be imposed on or with respect to any Unit including any accession thereto or the interest of the Trustee, the Owner, the Vendor or the Lessee therein. The Lessee shall not, without the prior written consent of the Trustee, part with the possession or control of, or suffer or allow to pass out of its possession or control, any of the Units, except to the extent permitted by the provisions of this Section 12.

SECTION 12.05. Nothing in this Section 12 shall be deemed to restrict the right of the Lessee to assign or transfer its leasehold interest under this Lease in the Units or possession of the Units to any corporation incorporated under the laws of the United States of America or any state thereof or the District of Columbia (which was solvent immediately prior to such assignment and transfer and which shall have specifically assumed the obligations of the Lessee hereunder, under the Consent and under the

Participation Agreement by an appropriate instrument in writing) into or with which the Lessee shall have become merged or consolidated or which shall have acquired the property of the Lessee as an entirety or substantially as an entirety, provided that such assignee or transferee will not, upon the effectiveness of such merger, consolidation or acquisition be in default under any provision of this Lease.

SECTION 13.01. Renewal Option and Purchase Options. Provided that this Lease has not been earlier terminated and the Lessee is not in default hereunder, the Lessee may by written notice delivered to the Trustee not less than 120 days or more than 360 days prior to the end of the original term of this Lease elect to extend the term of this Lease in respect of all, but not less than all, of the Units of any Type then covered by this Lease for one additional period, in full year increments, commencing on the scheduled expiration of such original term and ending on the February 27 or August 27 selected by the Lessee (the "Fixed Rate Renewal Term"); provided, however, the Fixed Rate Renewal Term shall not end later than the earlier of the last day on which (i) the estimated residual value (without taking into account inflation or deflation) of such Units shall be greater than or equal to 20% of the aggregate Purchase Price of such Units and (ii) the period from the Settlement Date relating to such Units to said date would be 80% of the economic useful life of such Units measured from the Settlement Date (based upon an appraisal satisfactory to the parties at the end of the original term of the Lease). The rents for such extended term shall be payable semiannually and ending on the last day of the Fixed Rate Renewal Term in an amount per Unit equal to 50% of the average rent paid per Unit during the original term hereof as set forth in Schedule B hereto as it may be amended from time to time.

SECTION 13.02. Provided that this Lease has not been earlier terminated and the Lessee is not in default hereunder, the Lessee may by written notice delivered to the Trustee not less than 120 days or more than 180 days prior to the end of the original term or the fixed rate renewal term of this Lease with respect to the Units of any Type elect to extend the term of this Lease for a single term consisting of increments of one year commencing on the scheduled expiration of the prior term with respect to all Units of any Type then remaining under this Lease. The rents for such extended term shall be payable semiannually in arrears in an amount per Unit equal to the then Fair Market Rental thereof.

SECTION 13.03. Provided that this Lease has not been earlier terminated and no Event of Default hereunder has occurred and is continuing, the Lessee may, by written notice delivered to the Trustee not less than the 120 days or more than 180 days prior to the end of the original or any renewal term of this Lease, elect to purchase all, but not less than all, of the Units of any Type then covered by this Lease for an amount equal to (i) in the case of a purchase at the end of the original term of this Lease, the lesser of the Fair Market Value thereof or 40.70% of the aggregate Purchase Price of such Units or (ii) in the case of a purchase at the end of any renewal term of this Lease, an amount equal to the Fair Market Value thereof, which amount shall be paid to the Owner in immediately available funds on the last day of the original or extended term of this Lease, as the case may be. Fair Market Value (Fair Market Rental) shall be determined on the basis of, and shall be equal in amount to, the price which would obtain in an arm's-length transaction between an informed and willing buyer (lessee) and an informed and willing seller (lessor) under no compulsion to buy or sell and, in such determination, costs of removal from the location of current use shall not be a deduction from such price and it shall be assumed that all the Units have been assembled in one place and are not encumbered by this Lease and are in the condition required by the terms hereof. If, after 30 days from the giving of notice by the Lessee of the Lessee's election to purchase (lease) such Units, the Lessor and the Lessee are unable to agree upon a determination of the Fair Market Value (Fair Market Rental) of the Units, such Fair Market Value (Fair Market Rental) shall be determined in accordance with the foregoing definition by the following procedure: If either party to such determination shall have given written notice to the other requesting determination of such value by this appraisal procedure, the parties shall consult for the purpose of appointing a qualified independent appraiser by mutual agreement. If no such appraiser is so appointed within 20 days after such notice is given, each party shall appoint an independent appraiser within 25 days after such notice is given, and the two appraisers so appointed shall within 30 days after such notice is given, appoint a third independent appraiser. If no such third appraiser is appointed within 30 days after such notice is given either party may apply, to make such appointment, to the American Arbitration Association, and both parties shall be bound by any appointment so made. Any appraiser or appraisers appointed pursuant to the foregoing procedure shall be instructed to determine the Fair Market Value (Fair Market Rental) of the Units within 45 days after his or their appointment. If the parties shall have appointed a

single appraiser or if either party shall have failed to appoint an appraiser, the determination of Fair Market Value (Fair Market Rental) of the single appraiser appointed shall be final. If 3 appraisers shall be appointed, the determination of the appraiser which differs most from the other 2 appraisers shall be excluded, the remaining 2 determinations shall be averaged and such average shall be final and binding upon the parties hereto as the Fair Market Value (Fair Market Rental). The appraisal proceedings shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association as in effect on the date hereof, except as modified hereby. The provision for this appraisal procedure shall be the exclusive means of determining Fair Market Value (Fair Market Rental) and shall be in lieu of any judicial or other procedure for the determination thereof, and each party hereto hereby consents and agrees not to assert any judicial or other procedures. The expenses of the appraisal procedure shall be borne by the Lessee, if a fixed rate purchase is available, otherwise such expense shall be borne equally by the Lessee and the Trustee.

SECTION 14.01. Return of Units upon Expiration of Term. On or prior to the termination of the term of this Lease or as soon as practicable on or after the termination of the term of this Lease and in any event not later than 90 days after the termination of the term of this Lease the Lessee will, at its own cost and expense, at the request of the Trustee, cause each Unit to be transported to such point or points (not in excess of three) as shall be reasonably designated by the Trustee immediately prior to such termination and arrange for the Trustee to store each Unit on any lines of railroad or premises approved by the Trustee for a period commencing on the date of its arrival at any such point and extending thereafter to a date not later than 180 days from the date at which at least 90% of the Units are first placed in storage pursuant to this Section 14; the assembly, delivery, storage and transporting of the Units to be at the expense and risk of the Lessee, and the Lessee will during this period maintain the insurance required by Section 7 of this Lease to be maintained. During any such storage period the Lessee will permit the Trustee or any person designated by it, including the authorized representative or representatives of any prospective purchaser or lessee of such Unit, to inspect the same; provided, however, that the Lessee shall not be liable except in the case of negligence or intentional act of the Lessee or of its employees or agents and, except to the extent otherwise provided by law, for any injury to or the death of any

person exercising, either on behalf of the Trustee or any prospective purchaser or lessee, the rights of inspection granted under this sentence. The assembly, delivery, storage and transporting of the Units as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises, the Trustee shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to cause the assembly, delivery, storage and transporting of the Units. If any of the Units suffers a Casualty Occurrence during any storage period provided for in this Section 14, the Lessee shall pay to the Trustee the Casualty Value of such Unit as determined in accordance with Section 7 hereof. In the event that by the 90th day after the termination of the original or any extended term of this Lease the Lessee has not, at the request of the Trustee, caused at least 90% of the Units to be transported to such point or points as shall have been designated by the Trustee pursuant to this Section 14, the Lessee shall pay to the Trustee an amount equal to the per Unit daily equivalent of the average annual rental payable over the original term of this Lease multiplied by the number of such Units equal to the difference between 90% of such Units and the number of such Units previously delivered pursuant to this Section 14 (such number to be determined on each day) for each day from such 90th day to the date on which at least 90% of such Units have been so transported. If, after the 180th day after the termination of this Lease, any of such Units have not been so transported, the Lessee shall pay to the Trustee an amount equal to 125% of the daily equivalent of the average annual rental payable over the original term of this Lease for each such Unit not so transported for each day after the end of such period until such Unit or Units have been so transported.

SECTION 14.02. Each Unit returned to the Trustee pursuant to this Section 14 shall (i) be in the same operating order, repair and condition as when originally delivered to the Lessee, ordinary wear and tear excepted, (ii) have attached or affixed thereto any Part title to which is in the Trustee pursuant to Section 9 hereof and have removed therefrom at Lessee's expense any Part or Addition title to which is in the Lessee or any other person pursuant to such Section 9 and any Property Owned by Others, and (iii) meet the standards then in effect under the Interchange Rules of the Association of American Railroads, but only to the extent such standards apply to Units of each Type subject to this Lease. Notwithstanding the foregoing, any and all NTTX spine cars or TTAX all purpose spine cars shall not be

required to conform the AAR impact cushioning tests. (As a consequence of the inability of these cars to comply with these tests, their use is restricted in switching procedures as to such things as yard humping or flat switching with motor power detached).

SECTION 14.03. Upon the expiration of the original term of this Lease on August 26, 2010, if the Lessee shall decide not to exercise the renewal option provided by Section 13 hereof or upon the expiration of any extended term of this Lease, the Lessee will deliver to the Trustee a certificate of an officer of the Lessee to the effect that (a) no Event of Default or any event which with lapse of time or notice or both would constitute an Event of Default had occurred or was continuing as of said date; (b) no liens, charges, security interests or other encumbrances (except an encumbrance resulting from claims against the Trustee) were, as of said date, imposed on or with respect to any Unit, any accession thereto, or the interest of the Trustee therein; (c) the Units have been returned to the Trustee pursuant to this Section 14 in the same operating order, repair and condition required by this Section 14 and (d) the Lessee no longer has any interest in the Units under the Lease or otherwise. If a certificate of an officer of the Lessee is required to be furnished pursuant to the preceding sentence, it shall be furnished on a monthly basis, beginning one month later, and such certificate shall cover each such Unit returned during the preceding 30 calendar days and shall apply to each such Unit as of the date such Unit was returned pursuant to the provisions of the first paragraph of this Section 14.

SECTION 15.01. Recording. The Lessee, at its own expense, will cause this Lease, the CSA, the CSA Assignment, the Lease Assignment and any assignment hereof or thereof to be filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 and deposited with the Registrar General of Canada (and notice of such deposit to be given forthwith in The Canada Gazette) pursuant to Section 86 of the Railway Act of Canada. The Lessee will, at its own expense, undertake the filing, registering, deposit, and recording required of the Trustee under the CSA and will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, record (and will refile, re-register, deposit and redeposit or rerecord whenever required) any and all further instruments required by law or reasonably requested by the Trustee or the Vendor for the purpose of proper protection, to their satisfaction, of the Vendor's and the Trustee's respective interests in the

Units, or for the purpose of carrying out the intention of this Lease, the CSA or the Lease Assignment; provided, however, that the Lessee shall not be required to take any such action in respect of any jurisdiction outside the United States if (1) the Lessee deems such action to be unduly burdensome, (2) after giving effect to the failure to take such action, the Lessee has taken all action required by law to protect the title of the Trustee to and the security interest of the Vendor in Units having a Purchase Price (as defined in Article 4 of the CSA) of not less than 85% of the aggregate Purchase Price of all the Units then subject to this Lease, and (3) any Unit at any time located in such jurisdiction shall have been marked with the markings specified in Section 5 hereof.

SECTION 15.02. The Lessee will promptly furnish to the Vendor and the Trustee evidence of all such filing, registering, depositing or recording, and an opinion or opinions of counsel for the Lessee with respect thereto satisfactory to the Trustee and the Vendor.

SECTION 16.01. Obligations of Trustee Under CSA; Additional Rentals. In the event that the Trustee shall become obligated to make any payment (other than payments in settlement for any Unit or the principal of or interest on the CSA Indebtedness in respect thereof pursuant to the CSA and pursuant to the proviso to the last paragraph of Article 12 thereof) or to perform any obligations pursuant to the CSA not covered by the provisions of this Lease, the Lessee shall pay such additional rentals hereunder and perform such obligations so that all of the Trustee's obligations (other than as aforesaid) pursuant to the CSA shall be fully complied with, without regard for any limitation of liability of the Trustee contained in the CSA.

SECTION 17.01. Trustee's Right to Perform for the Lessee. If the Lessee fails to perform or comply with any of its agreements contained herein, the Trustee may upon notice to the Lessee itself perform or comply with such agreement, and the amount of the reasonable cost and expenses of the Trustee incurred in connection with such performance or compliance, together with interest on such amount at the rate of 10.48% per annum, shall be payable by the Lessee upon demand. No such performance or compliance by the Trustee shall be deemed a waiver of the rights and remedies of the Trustee against the Lessee hereunder or be deemed to cure the default of the Lessee hereunder.

SECTION 18.01. Interest on Overdue Rentals. Anything to the contrary herein contained notwithstanding, any nonpayment of rentals and other obligations due hereunder shall result in the obligation on the part of the Lessee promptly to pay an amount equal to interest at a rate of 10.48% per annum on the overdue rentals and other obligations for the period of time during which they are overdue or such lesser amount as may be legally enforceable.

SECTION 19.01. Notices. Any notice required or permitted to be given by any party hereto to any other party or parties shall be deemed to have been received by the addressee on the date of actual receipt (if such date is a Business Day, otherwise on the next Business Day), if transmitted by mail, telex, telecopy or similar transmission, or by hand, addressed as follows:

if to the Trustee, at 777 Main Street, Hartford Connecticut 06115, attention of Corporate Trust Department;

if to the Lessee, at 101 North Wacker Drive, Chicago, Illinois 60606, attention of Treasurer;

or addressed to any party at such other address as such party shall hereafter furnish to the other parties in writing. Any certificate, document or report required to be furnished by any party hereto to the other parties shall be delivered to the address set forth above or so furnished for such party. Any notice to the Lessee by the Vendor regarding the Lessee's failure to perform any obligation hereunder shall also be furnished by the Lessee to the Trustee.

SECTION 20.01. Immunities. Each and all of the representations, warranties, covenants and agreements herein made on the part of the financial institution acting as Trustee hereunder are made and intended not as personal representations, warranties, covenants and agreements by said institution or for the purpose or with the intention of binding said institution personally but are made and intended for the purpose of binding only the Trust Estate (as such term is used in the Trust Agreement) and (except as aforesaid) this agreement is executed and delivered by said institution solely in the exercise of the powers expressly conferred upon said institution as trustee under the Trust Agreement; and no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said institution on account of any representation, warranty, covenant or agreement herein of

the Trustee (except in the case of gross negligence or willful misconduct of the Trustee), either expressed or implied, all such personal liability, if any, being expressly waived and released by the Lessee and by all persons claiming by, through or under the Lessee; provided, however, that the Lessee or any person claiming by, through or under the Lessee making claim hereunder may look to said Trust Estate for satisfaction of the same.

SECTION 21.01. Severability; Effect and Modification of Lease; Third Party Beneficiaries. Any provision of this Lease which is prohibited or unenforceable in any jurisdiction shall be, as to such jurisdiction, 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.

SECTION 21.02. This Lease exclusively and completely states the rights of the Trustee and the Lessee with respect to the leasing of the Units and supersedes all other agreements, oral or written, with respect thereto, except the Participation Agreement. Subject to the last sentence of the first paragraph of Article 20 of the CSA, 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 Trustee and the Lessee.

SECTION 21.03. Nothing in this Lease shall be deemed to create any right in any person not a party hereto (other than the Trustee, the Vendor, the Investors and the permitted successors and assigns of such parties, each of which shall be deemed to be a third party beneficiary hereof) and this instrument shall not be construed in any respect to be a contract in whole or in part for the benefit of any third party except as aforesaid.

SECTION 22.01. Execution. This Lease may be executed in several counterparts, such counterparts together constituting but one and the same instrument, but the counterpart delivered to the Vendor shall be deemed to be the original counterpart. Although for convenience this Lease is dated as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 23.01. Law Governing. The terms of this Lease and all rights and obligations hereunder shall be governed by and construed in accordance with the laws of the State of New York; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303, such additional rights arising out of the filing, recording or depositing of this Lease and any assignment hereof as shall be conferred by the laws of the several jurisdictions in which the same shall be filed, recorded or deposited, or in which any Units shall be located, and any rights arising out of the markings on the Units.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this instrument to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first above written, and each of the undersigned signatories hereto declares pursuant to 28 U.S.C. § 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below its signature.

TRAILER TRAIN COMPANY,

by Thomas D. Marion

Name: Thomas D. Marion
Title: Treasurer

Executed on February 8, 1990.

THE CONNECTICUT NATIONAL BANK, not in its individual capacity, but solely as Trustee,

by

Name:
Title:

Executed on February , 1990.

SECTION 23.01. Law Governing. The terms of this Lease and all rights and obligations hereunder shall be governed by and construed in accordance with the laws of the State of New York; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303, such additional rights arising out of the filing, recording or depositing of this Lease and any assignment hereof as shall be conferred by the laws of the several jurisdictions in which the same shall be filed, recorded or deposited, or in which any Units shall be located, and any rights arising out of the markings on the Units.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this instrument to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first above written, and each of the undersigned signatories hereto declares pursuant to 28 U.S.C. § 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below its signature.

TRAILER TRAIN COMPANY,

by

_____

Name:
Title:

Executed on January , 1990.

THE CONNECTICUT NATIONAL BANK, not in its individual capacity, but solely as Trustee,

by

Name: PETER H. FOWLER
Title: Vice President

Executed on ~~January~~ February 8, 1990.

01/23/90
TL31DEQ(NATWEST)

TRAILER TRAIN COMPANY
ANNEX B TO THE CONDITIONAL SALE AGREEMENT AND
SCHEDULE A TO THE LEASE OF RAILROAD EQUIPMENT (NO. 31D),
EACH DATED AS OF JANUARY 2, 1990

BUILDER/ CAR TYPE	QUANTITY	CAR NUMBERS (INCLUSIVE)	UNIT COST	TOTAL COST		DELIVERY PERIOD	CONTRACT
BETHLEHEM STEEL CORP.:							
* FIVE-PLATFORM ARTICULATED ALL-PURPOSE SPINE FLATCARS WITH RETRACTABLE HITCHES FOR CARRYING TRAILERS OR CONTAINERS - TTAX.	82	78042,78048, 78050-78299	$150,495.62	$12,340,640.84		DEC., 1989- March., 1990	T-5088-B
TRINITY INDUSTRIES, INC.:							
* FIVE-PLATFORM ARTICULATED ALL-PURPOSE SPINE FLATCARS WITH RETRACTABLE HITCHES FOR CARRYING TRAILERS OR CONTAINERS - TTAX.	46	76075-76139 76174-76259	$149,792.60	$6,890,459.60	**	DEC., 1989- March., 1990	T-1089-P
	128			$19,231,100.44			

* NOT SUBJECT TO THE CUSHIONING REQUIREMENTS OF THE AAR INTERCHANGE RULES.

** F.O.B. TRINITY PLANT.

Basic Rent Schedule
Percentage of Purchase Price*

Rental Date	Advance Rent	Arrears Rent
04-Aug-90	0.000000	0.000000
04-Feb-91	0.000000	0.000000
04-Aug-91	0.000000	8.681276
04-Feb-92	0.000000	0.000000
04-Aug-92	0.000000	8.681276
04-Feb-93	0.000000	0.000000
04-Aug-93	0.000000	8.681276
04-Feb-94	0.000000	3.611308
04-Aug-94	0.000000	5.069968
04-Feb-95	0.000000	3.542167
04-Aug-95	0.000000	5.139108
04-Feb-96	0.000000	3.466472
04-Aug-96	0.000000	5.214803
04-Feb-97	0.000000	3.383602
04-Aug-97	0.000000	5.297675
04-Feb-98	0.000000	3.292874
04-Aug-98	0.000000	5.388401
04-Feb-99	0.000000	3.201595
04-Aug-99	0.000000	7.408426
04-Feb-2000	10.610021	0.000000
04-Aug-2000	2.680850	0.000000
04-Feb-2001	7.929171	0.000000
04-Aug-2001	2.562502	0.000000
04-Feb-2002	8.047519	0.000000
04-Aug-2002	2.390663	0.000000
04-Feb-2003	8.219358	0.000000
04-Aug-2003	2.198311	0.000000
04-Feb-2004	8.411710	0.000000
04-Aug-2004	2.002825	0.000000
04-Feb-2005	8.607196	0.000000
04-Aug-2005	1.788064	0.000000
04-Feb-2006	8.821957	0.000000
04-Aug-2006	1.454657	0.000000
04-Feb-2007	9.155364	0.000000
04-Aug-2007	1.089644	0.000000
04-Feb-2008	9.520377	0.000000
04-Aug-2008	0.690027	0.000000
04-Feb-2009	9.919994	0.000000
04-Aug-2009	0.252525	0.000000
04-Feb-2010	10.357495	0.000000
04-Aug-2010	0.000000	0.000000
Fixed Rate Renewal Period		
04-Feb-2011, and each rent payment date during the Fixed Rate Renewal Term	0.000000	2.459631

*As defined in Article 4 of the CSA

NatWest

Schedule C
to the Lease

Casualty Values and Termination Values*

Dates	Casualty Values and Termination Values as Percentage of Purchase Price
8/ 4/1990	107.64768
2/ 4/1991	113.70513
8/ 4/1991	111.10360
2/ 4/1992	116.44873
8/ 4/1992	112.98887
2/ 4/1993	117.53937
8/ 4/1993	113.36718
2/ 4/1994	113.84665
8/ 4/1994	112.72938
2/ 4/1995	112.92525
8/ 4/1995	111.38549
2/ 4/1996	111.38549
8/ 4/1996	109.63716
2/ 4/1997	109.63716
8/ 4/1997	107.72309
2/ 4/1998	107.72308
8/ 4/1998	105.62756
2/ 4/1999	105.62756
8/ 4/1999	101.42072
2/ 4/2000	104.44617
8/ 4/2000	96.51700
2/ 4/2001	96.51700
8/ 4/2001	91.15033
2/ 4/2002	91.15033
8/ 4/2002	85.49347
2/ 4/2003	85.49347
8/ 4/2003	79.47243
2/ 4/2004	79.47243
8/ 4/2004	73.06354
2/ 4/2005	73.06354
8/ 4/2005	66.24441
2/ 4/2006	66.24440
8/ 4/2006	58.87710
2/ 4/2007	58.93341
8/ 4/2007	51.07472
2/ 4/2008	51.45510
8/ 4/2008	43.19185
2/ 4/2009	43.96704
8/ 4/2009	35.95447
2/ 4/2010	37.85750
8/ 4/2010	27.50000
Optional Fixed Rate Renewal Period:	
04-Feb-2011, and each rent payment date during the Fixed Rate Renewal Term	27.50000

* The Casualty Value and Termination Value of each Unit as of any date shall be that percentage of the Purchase Price of such Unit as set forth in the above schedule opposite such date.

[P91626]

Annex C to
Conditional Sale Agreement

Rec No 16763

[CS&M Ref: 4020-143]

LEASE OF RAILROAD EQUIPMENT

(No. 31D)

Dated as of January 2, 1990

Between

TRAILER TRAIN COMPANY,

as Lessee,

and

THE CONNECTICUT NATIONAL BANK,
not in its individual capacity
but solely as Trustee

The rights and interests of the Trustee under this Lease are subject to a security interest in favor of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as Agent for institutional investors. The original of this Lease is held by said Agent.

Lease of Railroad Equipment

TABLE OF CONTENTS*

SECTION 1.01	Net Lease	L-2
SECTION 2.01	Delivery and Acceptance of Units	L-2
SECTION 3.01	Rentals	L-3
SECTION 4.01	Term of Lease	L-7
SECTION 5.01	Identification Marks	L-7
SECTION 6.01	Taxes	L-8
SECTION 7.01	Casualty Occurrences; Terminations and Insurance;	L-20
SECTION 8.01	Reports	L-25
SECTION 9.01	Disclaimer of Warranties; Compliance with Laws and Rules; Maintenance; Indemnification	L-26
SECTION 10.01	Default	L-32
SECTION 11.01	Return of Units Upon Default	L-36
SECTION 12.01	Assignment; Sublease; Possession and Use	L-37
SECTION 13.01	Renewal Option and Purchase Option	L-39
SECTION 14.01	Return of Units upon Expiration of Term	L-41
SECTION 15.01	Recording	L-43
SECTION 16.01	Obligations of Trustee Under CSA; Additional Rentals	L-44
SECTION 17.01	Trustee's Right to Perform for the Lessee	L-44
SECTION 18.01	Interest on Overdue Rentals	L-45
SECTION 19.01	Notices	L-45
SECTION 20.01	Immunities	L-45
SECTION 21.01	Severability; Effect and Modification of Lease; Third Party Beneficiaries	L-46
SECTION 22.01	Execution	L-46
SECTION 23.01	Law Governing	L-47
SCHEDULE A	Equipment	L-48
SCHEDULE B	Rentals	L-49
SCHEDULE C	Casualty Values and Termination Values	L-50

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*This Table of Contents has been included in this document for convenience only and does not form a part of or affect any construction or interpretation of this document.

[P91626]

C16763-1 Schedule

LEASE OF RAILROAD EQUIPMENT dated as of January 2, 1990, between TRAILER TRAIN COMPANY, a Delaware corporation ("Lessee"), and THE CONNECTICUT NATIONAL BANK, a national banking association, acting not in its individual capacity but solely as Trustee ("Trustee") under a Trust Agreement dated as of the date hereof with OWNER named in Schedule A hereto ("Owner").

WHEREAS the Trustee is entering into a conditional sale agreement (the "CSA") with (three sellers of equipment) ("Sellers"), pursuant to which the Trustee has agreed to purchase and take delivery of the railroad equipment described in Schedule A hereto ("Equipment"); and

WHEREAS each Seller is assigning its interests in the CSA pursuant to an Agreement and Assignment ("CSA Assignment") to Mercantile-Safe Deposit and Trust Company, acting as Agent ("Vendor"), under a Participation Agreement dated as of the date hereof ("Participation Agreement") with the Lessee, the Trustee, the Owner and the investors named therein ("Investors"); and

WHEREAS the Lessee will lease from the Trustee all the units of the Equipment as are delivered and accepted under the CSA at the rentals and for the term and upon the conditions hereinafter provided (each such unit being hereinafter called "Unit");

WHEREAS the Trustee will assign certain of its rights under this Lease for security to the Vendor pursuant to an Assignment of Lease and Agreement ("Lease Assignment") and the Lessee will consent to the Lease Assignment pursuant to a Lessee's Consent and Agreement ("Consent"); and

WHEREAS the parties intend that terms of this Agreement shall be binding upon and inure to the benefit of the parties' respective successors and assigns and, as such, the capitalized terms used herein to define each of the parties shall also refer to the parties' respective successors and assigns.

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

SECTION 1.01. Net Lease. This Lease is a net lease. The Lessee's obligation to pay all rentals and other amounts hereunder shall be absolute and unconditional and, except as provided in Section 7.01 hereof, the Lessee shall not be entitled to any abatement of rent, reduction thereof or setoff against rent, including, but not limited to, abatements, reductions or setoffs due or alleged to be due by reason of any past, present or future claims of the Lessee against the Trustee, the Agent or the Investors, whether under this Lease, under the CSA or otherwise, including the Lessee's rights by subrogation thereunder against any manufacturer ("Manufacturer") of the Units, the Seller or the Vendor or otherwise; nor, except as otherwise expressly provided herein, shall this Lease terminate, or the respective obligations of the Trustee or the Lessee be otherwise affected, by reason of any defect in or damage to or loss of possession or loss of use or destruction of all or any of the Units from whatsoever cause, any liens, encumbrances or rights of others with respect to any of the Units, the prohibition of or other restriction against the Lessee's use of all or any of the Units, the interference with such use by any person or entity, the invalidity or unenforceability or lack of due authorization of this Lease, any insolvency of or bankruptcy, reorganization or similar proceeding against the Lessee, the Trustee or the Owner, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the rents and other amounts payable by the Lessee hereunder shall continue to be payable in all events in the manner and at the times herein provided unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease. To the extent permitted by applicable law, the Lessee hereby waives any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender the lease of any of the Units except in accordance with the express terms hereof. Each rental or other payment made by the Lessee hereunder shall be final and the Lessee shall not seek to recover all or any part of such payment from the Trustee or the Vendor for any reason whatsoever.

SECTION 2.01. Delivery and Acceptance of Units. The Trustee hereby appoints the Lessee its agent for inspection and acceptance of the Units pursuant to the CSA. Each delivery of a Unit to the Lessee shall be deemed to be a delivery to the Trustee under the CSA and shall also be deemed to be a delivery hereunder to the Lessee at the point

or points within the United States of America at which such Unit is delivered to the Trustee under the CSA. Upon such delivery, the Lessee will cause an employee or agent of the Lessee to inspect the same, and if such Unit is found to be acceptable, to accept delivery of such Unit on behalf of the Trustee under the CSA and itself hereunder whereupon such Unit shall, except as provided in the last paragraph of Article 3 of the CSA, be deemed to have been delivered to and accepted by the Lessee and shall be subject thereafter to all the terms and conditions of this Lease. The Lessee will promptly execute and deliver to the Trustee a certificate of acceptance ("Certificate of Acceptance") in accordance with the provisions of Article 3 of the CSA, stating that such Unit has been inspected and accepted on behalf of the Trustee on the date of such Certificate of Acceptance and is marked in accordance with Section 5 hereof. Without the prior written consent of the Trustee, the Lessee is not authorized to and may not accept any Units hereunder or under the CSA on behalf of the Trustee after it has actual knowledge of an Event of Default hereunder or of an event which with the lapse of time or giving of notice or both would constitute such an Event of Default (each such Event of Default and event being hereinafter "Default").

SECTION 3.01. Rentals. With respect to each of the Units subject to this Lease, the Lessee will pay to the Trustee the rentals shown in Schedule B hereto.

SECTION 3.02. As used herein, the term "Type" refers to the type of the different Units as shown in Schedule A hereto by the Lessee's reporting mark.

SECTION 3.03. (a) In addition, the Lessee will pay as additional rentals hereunder any amounts required to be paid as and when due pursuant to the next to the last sentence of paragraph (a) of Section 9 and the last sentence of paragraph (d) of Section 9 of the Participation Agreement, the annual fees, costs and disbursements of the Agent and the Trustee required by Section 12 of the Participation Agreement and any amount of Make Whole Premium at any time payable by the Trustee under the CSA.

(b) The Lessee will also pay as additional rent hereunder an amount determined by reference to interest on an advance payable by the Owner under Section 9 of the Tax Indemnity Agreement or by any member of the Owner Group or any assigns, agents or servants thereof under Section 6.03 hereof; such amount shall be paid by the Lessee six months prior to the date such interest is payable by the Owner or such other persons, as applicable, and shall be equal to the amount of any such interest payment discounted over a six

month period at the then current prime lending rate (as announced from time to time by National Westminster Bank).

SECTION 3.04. The rentals shown in Schedule B hereto, the Casualty Values and Termination Values shown in Schedule C hereto and the Early Buy Out Amount (as defined in Section 7.08) have been calculated on the assumptions that (i) 100% of the aggregate estimated unit price of the Units set forth in Schedule A hereto will be settled for on February 28, 1990, (ii) the fees and expenses payable by the Owner pursuant to Section 12 of the Participation Agreement will be equal to .35% of the aggregate Purchase Price of the Units, (iii) 80% of the aggregate Purchase Price will be financed by the Investors and (iv) no Change in Tax Law shall have occurred prior to the acceptance date for any Units. The term "Change in Tax Law" means a change in the Internal Revenue Code of 1986, as amended (the "Code"), after February 13, 1990, the promulgation of new or revised, proposed temporary or final Treasury Regulations (or other Treasury actions of similar import and having the same force of law), or the promulgation of revenue procedures, revenue rulings or other administrative publications announcing the intention of the Treasury to promulgate such Regulations, not including any such amendment, modification, deletion or change affecting a minimum tax or alternative minimum tax relating generally to the income of the Owner; provided, however, that there shall not be any adjustment for any Change in Law with respect to any Unit of Equipment unless the Lessor gives to Lessee notice of such Change in Law prior to delivery on the Delivery Date for such Unit of Equipment. If any of the foregoing assumptions proves to be incorrect with respect to any Unit of Equipment, such rentals, Casualty Values, Termination Values and Early Buy Out Amount will be adjusted upward or downward by the minimum amount necessary so the Owner's after-tax book yield and aggregate after-tax cash flow computed using the multiple investment sinking fund method (such after-tax book yield and after-tax cash flow being hereinafter called "Net Economic Return") (computed on the same assumptions, including rates, as were originally utilized by the Owner in calculating the same, other than any changed assumptions resulting in any adjustment) shall at least equal the Net Economic Return that would have been realized in accordance with the original assumptions stated above assuming all such assumptions were true; provided, however, if any proposed Change in Tax Law for which there has been a rental adjustment is subsequently revoked (and not replaced by any substantially similar Change in Tax Law), the remaining rentals, Casualty Values, Termination Values and Early Buy Out Amount, to the extent

applicable, shall be adjusted by the minimum amount necessary so the Owner's Net Economic Return (computed on the same assumptions, including rates, as were originally utilized by the Owner in calculating the same other than any changed assumption resulting in any adjustment) from the date of such revocation shall be at least equal to the Net Economic Return that would have been realized by the Owner in accordance with the original assumptions stated above assuming all such assumptions were true. Any dispute with respect to any adjustments made pursuant hereto shall be resolved in the same manner as disputes with respect to adjustments under the Tax Indemnity Agreement are to be resolved. If the aggregate pre-tax present value (computed at 9.48% compounded semiannually) of the increase in rentals occasioned by clause (iv) of this paragraph of this Section 3.04 with respect to any remaining settlement date is in excess of 125 basis points, then the Lessee shall have the option of not closing on the remaining settlement dates with respect to Equipment not previously accepted.

SECTION 3.05. Notwithstanding anything to the contrary set forth herein, (a) the rentals and the related Casualty Values, Termination Values, and Early Buy Out Amount, as adjusted pursuant to this Section 3, shall always be sufficient to satisfy the obligations of the Trustee under the CSA regardless of any limitation of liability set forth therein and the date on which any rentals, Casualty Value, Termination Value or Early Buy Out Amount is payable shall in any event be consistent with the Trustee's payment obligations under the CSA and (b) the Early Buy Out Amount shall never be reduced pursuant to Section 3.04. In no event shall the foregoing covenant be construed as a guarantee by the Lessee of the CSA Indebtedness.

SECTION 3.06. If any of the rental payment dates referred to above is not a business day (as such term is defined in Article 4 of the CSA), the rental payment otherwise payable on such date shall then be payable on the following business day, and no interest shall be payable for the period from and after the scheduled date for payment thereof to such following business day.

SECTION 3.07. For so long as the CSA shall remain in effect, the Trustee irrevocably instructs the Lessee to make all the payments due the Trustee provided for in this Lease (other than payments which by the express terms of Sections 6.01, 9.07, and 17.01 of this Lease are payable directly to the Trustee) to the Vendor, for the account of the Trustee, in care of the Vendor, with instructions to the

Vendor (a) first to apply such payments to satisfy the obligations of the Trustee under the CSA and the Participation Agreement due and payable thereunder on the date such payments are due and payable hereunder and (b) second, so long as no event of default under the CSA shall have occurred and be continuing (but no longer than 180 days unless the Agent shall have issued a "Declaration of Default" as defined in the CSA), to pay any balance promptly to the Trustee or as directed by the Trustee in immediately available funds at such place as the Trustee shall specify in writing.

SECTION 3.08. The Lessee agrees to make each payment provided for herein as contemplated by this Section 3 in immediately available funds at or prior to 11:00 a.m. Baltimore time to the office of the Vendor (at 2 Hopkins Plaza, Baltimore, Maryland 21203, attention of Corporate Trust Department) on the date due, or if the CSA shall no longer be in effect, at the office of the Trustee.

SECTION 3.09. In the event the Trustee fails to make any payment required to be made pursuant to clause (ii) of paragraph (d) of Section 9 of the Participation Agreement, the Lessee shall make such payment (such amount being herein called "Prepaid Rent"). So long as no Event of of Default has occurred and is continuing, the Trustee agrees to reimburse the Lessee immediately on demand for (x) the Prepaid Rent paid by Lessee plus (y) accrued interest thereon at the rate of 15% per annum from the later of the date such Prepaid Rent is paid by the Lessee or the date such Event of Default is no longer continuing to, but not including, the date of each such reimbursement (such amounts to be reimbursed being herein called the "Reimbursement Amount"). If the Trustee shall fail to pay the Lessee the Reimbursement Amount as provided above, and as long as no Event of Default has occurred and is continuing, the Lessee may, upon written notice to the Owner and Trustee, and without limitation to Lessee's rights against the Owner under the Participation Agreement, demand and sue for such Reimbursement Amount as well as offset (without duplication) against each succeeding payment (other than as limited by the last sentence of this Section) due from the Lessee to the Owner or the Trustee (except in its individual capacity) with respect to any Units owned by the Owner (including, without limitation, any rent payments due with respect to any renewal term, any purchase price payable to the Lessor pursuant to the Lessee's exercise of its termination options under the Lease, other payments due under this Lease, payments due under the Tax Indemnity Agreement, and any

other amount due hereunder to the Owner or the Trustee (except in its individual capacity) until the Lessee has been fully reimbursed for the Reimbursement Amount. No such offset or aggregate combined effect of separate offsets shall reduce the amount of any rental payments to an amount insufficient, together with all other amounts of rent payable simultaneously by the Lessee, to pay in full the payments then required to be made on account of the CSA Indebtedness.

SECTION 4.01. Term of Lease. The term of this Lease as to each Unit shall begin on the date of delivery and acceptance of such Unit hereunder as aforesaid and, subject to the provisions of Section 7, 10 and 13 hereof, shall terminate on August 26, 2010. Except for obligations of the Lessee hereunder which are specifically stated to terminate at a fixed time, the obligations of the Lessee hereunder (including, but not limited to, the obligations under Sections 3, 6, 7, 9, 11, 14 and 18 hereof) shall survive the expiration of the term of this Lease.

SECTION 4.02. Notwithstanding anything to the contrary contained herein, all rights and obligations of the Lessee under this Lease and in and to the Units are subject to the rights of the Vendor under the CSA. If an event of default should occur under the CSA, the Vendor may terminate this Lease (or rescind its termination), all as provided therein.

SECTION 5.01. Identification Marks. The Lessee will cause each Unit to be kept numbered with the identifying number set forth in Schedule A hereto and each platform constituting part of each Unit to be steel-stamped with the identifying number for such platform in a uniform location, or in the case of any Unit not there listed such identifying number as shall be set forth in any amendment or supplement hereto extending this Lease to cover such Unit, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each Unit, in letters not less than one inch in height, the words, "OWNERSHIP SUBJECT TO A SECURITY AGREEMENT FILED WITH THE INTERSTATE COMMERCE COMMISSION", or other appropriate words designated by the Trustee, with appropriate changes thereof and additions thereto as from time to time may be required by law or reasonably requested by the Trustee or the Vendor in order to protect the Trustee's title to and the Vendor's security interest in such Unit and the rights of the Trustee under this Lease and of the Vendor under the CSA. The Lessee will not place or permit any such Unit to be placed in operation

or exercise any control or dominion over the same until such words shall have been so marked on both sides thereof and will replace or cause to be replaced promptly any such name and words which may be removed, defaced, obliterated or destroyed. The Lessee will not change or permit to be changed the identifying number of any Unit unless and until (i) a statement of new number or numbers to be substituted therefor shall have been filed with the Vendor and the Trustee and filed, recorded and deposited by the Lessee in all public offices where this Lease and the CSA shall have been filed, recorded and deposited and (ii) the Lessee shall have furnished the Vendor and the Trustee an opinion of counsel to the effect that such statement has been so filed, recorded and deposited, such filing, recordation and deposit will protect the Vendor's and the Trustee's interests in such Units and no other filing, recording, deposit or giving of notice with or to any other Federal, state or local government or agency thereof is necessary to protect the interests of the Vendor and the Trustee in such Units. Units with reporting marks of NTTX or TTAX will bear the legend "Do not hump".

SECTION 5.02. Except as above provided, the Lessee will not allow the name of any person, association or corporation to be placed on any Unit as a designation that might be interpreted as a claim of ownership; provided, however, that the Lessee may permit the Equipment to be lettered with the names, trademarks, initials or other insignias customarily used by the Lessee on railroad equipment used by it of the same or a similar type for convenience of identification of its rights to use the Equipment under this Lease, and the Equipment may be lettered in an appropriate manner for convenience of identification of the interest of the Lessee therein.

SECTION 6.01. Taxes. If for any reason the Lessee is required to withhold any amount from any rental payments provided for in Section 3.01 hereof, or any payment of Casualty Value or Termination Value, the Lessee shall notify the Owner of such withholding requirement at least 30 days prior to the date such payment is due. Whether or not any of the transactions contemplated hereby are consummated, the Lessee agrees to pay, and to indemnify and hold harmless the Trustee, both in its individual and trust capacities, the Owner, each affiliate of the Owner, the Vendor and the Investors and their respective successors, assigns, agents and servants ("Indemnified Persons") on an after-tax basis from all taxes, assessments, fees and charges of any nature whatsoever, together with any penalties, fines, additions to

tax or interest thereon, howsoever imposed, whether levied or imposed upon any such Indemnified Person or otherwise, by any Federal, state or local government or governmental subdivision in the United States or by any foreign country or subdivision thereof or any international taxing authority, upon or with respect to: any Unit or any part thereof; the manufacture, purchase, ownership, delivery, leasing, possession, use, operation, transfer of title, registration, reregistration, transfer of registration, return or other disposition thereof or the imposition of any Lien (or the incurrence of any liability to refund or pay over any amount as the result of any Lien) on any such Unit or part thereof or interest therein; the rentals, receipts or earnings arising therefrom; or this Lease, the Lease Assignment, the Consent, the Trust Agreement, the Participation Agreement, the CSA or the CSA Assignment; any payment made pursuant to any such agreement, or the property, the income or other proceeds received with respect to property held in trust by the Trustee under the Trust Agreement or by the Vendor under the CSA; or otherwise in connection with the transactions contemplated by the Documents (all such taxes, assessments, fees, charges, penalties, fines, additions to tax and interest imposed as aforesaid being hereinafter called "Taxes"); <u>excluding</u>, <u>however:</u> (i) in the case of the Owner, each Affiliate of the Owner and the Trustee in its trust capacity (the "Owner Group") (a)(x) any Taxes (other than sales or use taxes) of the United States or of any state or political subdivision thereof, imposed on or measured by the net receipts or net income (including, without limitation, capital gains taxes, alternative minimum taxes and taxes measured by tax preference items or excess profits) of the Owner or (y) Taxes on or measured by capital, stock value, intangibles or the net worth or other status of the Owner in the case of franchise or doing business taxes of the Owner to the extent such Taxes would not have been imposed but for the activities of the Owner Group that are unrelated to the transactions contemplated by the Documents, (b) any Taxes imposed by a foreign jurisdiction or political subdivision thereof or international taxing authority to the extent such Taxes result solely from the activities of such Indemnified Person that are unrelated to the transactions contemplated by the Documents or relate to or are imposed by a foreign jurisdiction in which the Equipment was not physically present during the term of the Lease unless such Tax would not have occurred but for (1) any activities of the Lessee or other User of such Item of Equipment in or related to such jurisdiction, or (2) any payment made by the Lessee or other User of such Item of Equipment pursuant to any Document from such jurisdiction, and (c) any Taxes (other than sales

or use taxes) to the extent based on or measured by net or gross income (including, without limitation, withholding taxes on gross income, capital gains taxes, alternative minimum taxes, taxes measured by tax preference items and taxes on excess profits of the Owner) ("Income Taxes") imposed on a member of the Owner Group by any taxing authority within Canada or Mexico if such member of the Owner Group is already subject to an Income Tax in such jurisdiction without regard to the transactions contemplated by the Documents; provided, however, that this exception (c) shall not apply to the extent such Income Taxes (x) would have been imposed (1) even if such member of the Owner Group had not already been subject to an Income Tax in such jurisdiction or (2) had the Lessee been the Owner of the Item of Equipment with respect to which such Income Tax is imposed or (y) would not have been imposed but for any Item of Equipment having been used more than 183 days in any 12-month period in the jurisdiction imposing such Income Tax; (ii) in the case of any Indemnified Person other than a member of the Owner Group, any Taxes (other than sales or use taxes) of the United States or of any state or political subdivision thereof, or of any foreign jurisdiction or political subdivision thereof, imposed on or measured by gross receipts, gross or net income (including, without limitation, withholding taxes on gross income, capital gains taxes, alternative minimum taxes and taxes measured by tax preference items) excess profits of such Indemnified Person or Taxes on or measured by capital, intangibles, stock value or net worth or other status of such Indemnified Person, in the case of franchise or doing business taxes, other than such Taxes to the extent imposed by any jurisdiction in which such Indemnified Person is not otherwise subject to tax and does not maintain a permanent establishment, office or other place of business, and in such case only to the extent such Taxes (x) do not exceed the Taxes that would have been imposed by such jurisdiction if the Tax solely were based on and measured by the transactions contemplated by the Documents and (y) are not actually utilized by such Indemnified Person as a credit against Taxes that are not indemnified against hereunder, and other than Taxes arising out of or imposed on or in respect of indemnification payments under this Lease; provided, however, that the provisions of the foregoing clauses (i) and (ii) shall not be interpreted to limit the Lessee's obligations under the Tax Indemnity Agreement or to pay any amount hereunder on an after-tax basis; (iii) in the case of any Indemnified Person any Taxes imposed as a result of (x) any voluntary transfer or voluntary disposition by such Indemnified Person (including a transfer under Section 338 of the Code if applicable) of any interest in any Unit,

the CSA, any interest in rentals under the Lease, or any such Indemnified Person's rights or obligations under the Documents, in each case other than (1) pursuant to Section 10 hereof, or (2) in connection with a Casualty Occurrence or Termination (it being understood that any disposition or transfer of any of the Owner's rights, obligations or interests in the Equipment to or at the direction of the Lessee, the Agent or the Investor is not voluntary) or (y) any involuntary transfer or involuntary disposition of any such interests (1) resulting from the bankruptcy of the Indemnified Person unless as a result of the bankruptcy of the Trust Estate or (2) resulting directly from events unrelated to the transactions contemplated by the Documents; (iv) in the case of the Trustee or the Vendor, any Taxes imposed on or measured by any fees received by the Trustee or the Vendor; (v) in the case of any Indemnified Person, any Taxes which are imposed on or measured by the gross receipts, gross or net income of such Indemnified Person if and to the extent that such Taxes are specifically in substitution for or are specifically designed to reduce the Taxes payable by such Indemnified Person which the Lessee has not agreed to pay or indemnify against pursuant to this Section 6; (vi) any Taxes imposed on any Indemnified Person resulting from the gross negligence or willful misconduct of such Indemnified Person; (vii) any Taxes imposed with respect to events occurring or matters arising after the later of (and not simultaneous with) (A) the return of possession of the Units to the Owner pursuant to the terms of the Lease, or (B) the expiration or earlier termination of the term of the Lease except to the extent directly attributable to a failure of the Lessee to fully discharge its obligations under the Lease; (viii) any Taxes which are included in the Purchase Price, provided that such Taxes have been remitted to the proper taxing authorities; (ix) any Taxes which are imposed on any Indemnified Person to the extent resulting directly from the failure to perform any requirement imposed with respect to any return otherwise required to be filed by any such Indemnified Person (or any of its Affiliates) without regard to the transactions contemplated by the Documents, in connection with the preparation or filing of tax returns, the payment of its taxes or the conduct of any proceeding in respect thereof, except to the extent attributable to the failure of the Lessee to perform its obligations under this Section 6 or to perform its duties and responsibilities pursuant to the Documents including, without limitation, the obligations to make payments and prepare returns provided in this Section 6; (x) Taxes imposed on an Indemnified Person to the extent such Taxes would not have been imposed upon such Indemnified

Person (or any of its Affiliates) but for any failure of such Indemnified Person or such Affiliate to comply with (a) certification, information, documentation, reporting or other similar requirements (each being a "Requirement") concerning the nationality, residence, identity or connection with the jurisdiction imposing such Taxes, if such compliance is required by statute or by regulation of the jurisdiction imposing such Taxes as a precondition to relief or exemption from such Taxes and the Indemnified Person or its Affiliate was eligible to comply with such Requirement or (b) any other Requirements under the Tax laws or regulations of the jurisdiction imposing such Taxes that would establish entitlement to otherwise applicable relief or exemption from such Taxes, and the Indemnified Person or such Affiliate was eligible to comply with such Requirement, provided that the exclusion set forth in this subclause (x) shall not apply (1) if such failure to comply was due to a failure of the Lessee (y) timely to notify such Indemnified Person or such Affiliate of such Requirement or (z) to provide reasonable assistance in complying with such requirement or (2) if, in order to comply with such Requirement, the Indemnified Person or such Affiliate would be required to make any inaccurate statement or (3) if by complying with such Requirement the Indemnified Person or such Affiliate might suffer any material adverse consequences for which the Indemnified Person or such Affiliate is not indemnified by the Lessee; (xi) any Taxes to the extent such Taxes would have been imposed on an Indemnified Person even if it had not engaged in activities related to the transactions contemplated by the Documents; (xii) any Taxes for which the Lessee has actually and fully paid or reimbursed, in accordance with the terms of any of the Documents, the Indemnified Person entitled to payment under this Section 6; and (xiii) penalties, interest or additions to tax to the extent resulting from Taxes which are not indemnifiable hereunder; provided, however, that this exclusion (xiii) shall not apply to the pro rata portion of any penalties, interest or additions attributable to Taxes indemnifiable hereunder; provided, however, that, except as provided below, the Lessee shall not be required to pay any Taxes during the period it may be contesting the same in the manner provided in the next succeeding paragraph; provided further, however, that if the Lessor is obligated to make a payment under this Section 6 by reason of a breach by the Indemnified Person or any Affiliate thereof of any of such Indemnified Person's representations, warranties, duties and obligations under any of the Documents to which it is a party, this Section 6 shall not be construed to limit the Lessee's ability to include the amount of such obligation as damages due and

owing by reason of such breach, and the liability of the Lessee to indemnify hereunder shall in no way be construed as limiting any rights or remedies to which the Lessee may otherwise be entitled in the event of any such breach.

SECTION 6.02. Except as provided herein, the Lessee shall pay all Taxes subject to indemnification under this Section 6 for which it is required to file a return prior to the latest time permitted by the relevant taxing authority for timely payment. In the case of a Tax subject to indemnification under this Section 6 for which the Lessee is required to file a return, when the Lessee resists payment and while the Lessee is contesting such Tax in accordance with this Section 6, the Lessee shall pay such Tax (in the amount finally determined to be owing in such contest) prior to the latest time permitted by the relevant taxing authority for timely payment after a Final Determination (as defined below). In the case of a Tax subject to indemnification under this Section 6 for which no return is required to be filed by the Lessee, the Lessee shall pay such Tax to the appropriate Indemnified Person within 15 days after receipt of a demand in writing that specifies in reasonable detail the payment and the facts upon which the right to payment is based, but not prior to the later of (i) 15 days before the due date (ignoring extensions of time) for payment of such Tax by the Indemnified Person, and (ii) in the case of a Tax whose payment is being contested in accordance with this Section 6, a Final Determination (which shall mean (i) a decision, judgment, decree or other order by any court of competent jurisdiction that resolves the matter, which decision, judgment, decree or other order has become final (i.e., the earliest of when all allowable appeals have been exhausted by either party to the action or the time for filing such appeal has expired or such Indemnified Person has notified the Lessee in writing that it does not intend to take such appeal, it being understood that such Indemnified Person shall not be required to pursue such appeal), (ii) a closing agreement entered into under Section 7121 of the Code (or any successor provision) or any other settlement agreement entered into in connection with the administrative or judicial proceedings, in any case with Lessee's consent, (iii) the expiration of the time for instituting an initial suit with respect to a claimed deficiency or for instituting a claim for refund, or, if a refund claim was filed, the expiration of the time for instituting suit with respect thereto or (iv) the point in time when the Indemnified person is no longer required to contest (or allow the Lessee to contest) the imposition of such Tax pursuant to Section 6.03.

SECTION 6.03. If any written claim is made against any Indemnified Person for any Taxes indemnified against under this Section 6, such party shall promptly notify the Lessee. If reasonably requested by the Lessee in writing within 60 days or receipt of such notice (or, if sooner, and if such date is disclosed to the Lessee in the Indemnified Person's notification to the Lessee, on or before the last date upon which a contest of such Tax can be initiated), such Indemnified Person shall, upon receipt of indemnity satisfactory to it for all costs, expenses, losses, legal and accountants' fees and disbursements, penalties, fines, additions to tax and interest, and at the expense of the Lessee (it being understood that such indemnity is not intended to expand the scope of Lessee's indemnification obligations with respect to liabilities specifically dealt with in this Section 6), contest in good faith the validity, applicability or amount of such Taxes by, in the case of a contest involving only Taxes for which the Lessee is liable (a "Lessee Controlled Contest"), in the Lessee's sole discretion, or, in the case of any other contest (an "Indemnified Person Controlled Contest"), in such Indemnified Person's sole discretion, (a) resisting payment thereof if possible, (b) not paying the same except under protest, if protest is necessary and proper, or (c) if payment is made, using reasonable efforts to obtain a refund thereof in appropriate administrative or judicial proceedings, or both; provided, however, that in no event will such Indemnified Person be required to contest or continue to contest the imposition of any Tax for which the Lessee is obligated pursuant to this Section 6 unless (w) no Event of Default shall have occurred and be continuing, (x) such Indemnified Person and the Owner shall have reasonably determined that the action to be taken will not result in any material danger of sale, forfeiture or loss of, or the creation of any Lien (except if the Lessee shall have adequately bonded such Lien, or otherwise made provision to protect the interests of such Indemnified Person and the Owner in a manner reasonably satisfactory to such Indemnified Person and the Owner) on any Item of Equipment, (y) if such contest shall involve payment of the claim, the Lessee shall advance the amount thereof plus (to the extent indemnified under Section 6.01) interest, penalties and additions to tax with respect thereto to such Indemnified Person on an interest-bearing basis in accordance with the next sentence of this Section 6.03 and (z) the amount of all claims with respect to the audit at issue exceeds $5,000. Each such advance shall bear interest at the rate necessary to prevent such advance from being characterized as a below-market loan

under Section 7872 of the Code (or any successor provision) which interest payments shall be due in arrears at the conclusion of each six month interest period. Unless the Indemnified Person has repaid any advance pursuant to the last sentence of this Section 6.03, on the day that is ten years after the Lessee advances funds to the Indemnified Person pursuant to this Section 6, the Indemnified Person shall repay to the Lessee any such advance; provided, however, that if the Indemnified Person is required to repay such advance prior to a Final Determination of the underlying liability for the Taxes for which such advance was made, the Lessee shall be obligated, within 5 days of such repayment, to advance to the Indemnified Person an amount equal to such repayment on an interest-free basis, and at no net after-tax cost to such Indemnified Person. In a Lessee Controlled Contest, the Lessee may also contest, if permitted by applicable law, at its own expense, the validity, applicability or amount of such Taxes in the name of such Indemnified Person; provided that no proceeding or action relating to such contest shall be commenced (nor shall any pleading, motion, brief or other paper be submitted or filed in the name of such Indemnified Person in any such proceeding or action) (a) without the prior written consent of such Indemnified Person, such consent not to be unreasonably withheld (provided that it is understood that such Indemnified Person may impose reasonable conditions relating to the commencement and conduct of such contest as a condition to granting its consent), and (b) unless the conditions stated in clauses (w), (x) and (y) of the First sentence of this Section 6.03 are satisfied. In the case of any contest brought by the Lessee in accordance with the preceding sentence, the Indemnified Person shall cooperate with the Lessee by, at the Lessee's cost, providing to the Lessee all documents, reports and other information reasonably necessary in connection therewith and not involving the disclosure of proprietary information of a competitive or sensitive nature. An Indemnified Person will in good faith consult with the Lessee and its counsel regarding the conduct of any administrative or judicial contest and will not enter into any settlement or compromise with respect to any Tax that such Indemnified Person is required to contest hereunder that would give rise to an indemnifiable Tax under this Section without Lessee's prior written approval. In the event the Indemnified Person effects a settlement or compromise of any such contest, or otherwise terminates any such contest, without such prior written consent of the Lessee, such Indemnified Person shall pay to the Lessee an amount which shall equal the amounts theretofore paid by the Lessee pursuant to this Section 6 in respect of such claim;

provided, however, that such amounts shall not include costs and expenses paid by the Lessee relating to such contest. If in the course of contesting a claim for Taxes the Lessee believes that the appropriate taxing authority might compromise a proposed adjustment, the Lessee shall advise the Indemnified Person of the terms of the settlement proposal that the Lessee is then willing to make, and upon receipt of such notice the Indemnified Person will explore such settlement proposal with the relevant taxing authority. If a settlement proposal relates solely to Taxes for which the Lessee is liable hereunder and is acceptable to both the Lessee and the taxing authority, the Indemnified Person shall agree to the settlement proposal; provided, however, that the Indemnified Person shall not be obligated to formally propose or agree to a settlement if the Indemnified Person agrees that the amount of any Taxes in respect of such proposed claim shall be treated as the amount of such Taxes which would have been required if the settlement proposal had been made and accepted (in which case such agreement by the Indemnified Person shall be treated as a Final Determination and the Lessee shall indemnify the Indemnified Person for such amount); provided further, however, that an Indemnified Person may in its sole discretion accept or reject any such settlement proposal unless the Lessee, after receiving 5 days prior written notice from such Indemnified Person regarding the terms of such settlement proposal, acknowledges liability for the claim that is the subject of such settlement proposal. Notwithstanding anything contained in this Section 6.03, an Indemnified Person will not be required to contest the imposition of any Tax or agree to the settlement of any claim it would otherwise be required to contest or settle if such Indemnified Person (a) shall waive its right to indemnity under this Section 6 with respect to such Tax (and any related claim and any claim and any related claim made by a taxing authority with respect to other taxable years that is based, in whole or in part, on the resolution of such claim or such related claim, the contest of which is materially prejudiced by the resolution of such proposed adjustment, it being understood that the mere settlement of the claim (in the absence of, for example, legal authority, administrative practice or other similar authority to the contrary) shall not be considered materially prejudicial), and (b) shall pay to the Lessee any amount previously paid or advanced by the Lessee pursuant to this Section 6 with respect to the claim for such Tax that is being contested (which amount shall not include costs and expenses previously paid by the Lessee with respect to such contest). Upon a Final Determination of any contest in respect to which the Lessee shall have advanced funds to an Indemnified Person

then, to the extent such Final Determination is adverse, Lessee shall indemnify such Indemnified Person to the extent provided by this Agreement, and within 30 days after such Final Determination, such Indemnified Person shall offset from any funds advanced by the Lessee the amount for which the Lessee is required to indemnify such Indemnified Person and then shall, if any excess remains, repay to Lessee any funds advanced by Lessee, together with any related interest received (or saved) by such Indemnified Person as a result of such refund or Credit to the extent of such excess.

SECTION 6.04. Any payment which the Lessee shall be required to make to or for the account of any Indemnified Person with respect to any Tax which is subject to indemnification under this Section 6 shall (A) reflect any actual current savings (but only up to the amount of the Tax for which such Indemnified person is being indemnified) of such Indemnified Person resulting by way of deductions, credits or other tax benefits attributable to the payment (or accrual) of such indemnified Tax unless such deduction or credit or other tax benefit was taken into account in computing the payment which the Lessee is required to make with respect to any Tax which is subject to indemnification under this section by way of a deduction or credit against such Tax and (B) include the amount necessary to hold such Indemnified Person harmless on an after-tax basis from the amount of any federal, state, local or foreign taxes required to be paid by such Indemnified Person as the result of any such payment (it being understood that if the amount of such federal, state, local or foreign taxes payable, or the amount of any tax savings realized by an Indemnified Person as the result of making any payment required to be made to the Lessee pursuant to this Section 6.04, is less than the amount that would have been payable or realized had such Indemnified Person not been in a net operating loss position or subject to minimum taxes (or other similar situations reducing such taxes payable by such Indemnified Person), then appropriate payments shall be made by Lessee (or, if applicable, by such Indemnified Person) to such Indemnified Person (or, if applicable, to the Lessee) in subsequent years so that such Indemnified Person (or, if applicable, the Lessee) receives the full benefit of payments otherwise payable hereunder). If, by reason of any Tax payment made to or for the account of an Indemnified Person by the Lessee pursuant to this Section 6, such Indemnified Person currently or subsequently receives a refund (or any amount representing interest thereon), or realizes a tax benefit, savings, deduction or credit (including foreign tax credit) not previously taken into account in computing such payment,

such Indemnified Person shall promptly pay to the Lessee an amount equal to the sum of (I) the actual net reduction in Taxes, if any, realized by such Indemnified Person which is attributable to such deduction or credit (or, if applicable, the amount of such refund or interest net of expenses) and (II) the actual reduction in any Taxes realized by such Indemnified Person as the result of any payment made by such Indemnified Person pursuant to this sentence; provided, however, that such Indemnified Person shall not be obligated to make payment pursuant to this Section 6.04 with respect to any tax savings to the extent that the amount of such payment would exceed (x) the amount of all prior indemnity payments excluding all costs, expenses and advances relating to any contest made by the Lessee pursuant to this Section 6, less (y) the amount of all prior payments (or other credits for tax savings given) by such Indemnified Person to the Lessee hereunder (any such excess to be carried forward to reduce any subsequent obligations of the Lessee to indemnify such Indemnified Person); provided further, however, that the subsequent loss of any such tax benefit, savings, deductions or credit realized by the Indemnified Person shall be treated as a Tax for which the Lessee must indemnify such Indemnified Person pursuant to Section 6.01 without regard to exceptions (i), (iii), (vii) and (xi) therein. For purposes of the preceding sentence, items of foreign tax of any Indemnified Person shall be deemed to be utilized by such Indemnified Person as credits or deductions for Federal income tax purposes for any taxable year in accordance with the following priorities:

First, all available foreign taxes other than those described in the next two clauses of this sentence;

Second, all available foreign taxes attributable to any leasing or similar transaction entered into by such Indemnified Person or any member of any affiliated group (within the meaning of Section 1504 of the Code) filing a consolidated federal income tax return which includes the income of such Indemnified Person (the "Indemnified Group") with a person other than the Lessee and for which such member of such Indemnified Group was indemnified or held harmless by anyone in such transaction (other than a transaction (x) described in the next clause of this sentence or (y) in which the foreign tax credit ordering rules provide that foreign tax credits attributable to such transaction shall be taken into account ahead of other transactions in which such member of the Indemnified Group is being indemnified)

on a pari passu basis with any foreign tax credits attributable to any tax payment made to or for the account of such Indemnified Person pursuant to this Section 6; and

Third, all available foreign taxes attributable to any transaction entered into by any member of any Indemnified Group for which such member was indemnified or held harmless by anyone in such transaction and in which the tax credit ordering rules applicable to such indemnification specifically provide that foreign taxes attributable to such transaction shall be taken into account last (and not on a pari passu basis as hereinabove stated).

SECTION 6.05. In case any report or return is required to be made with respect to any obligation of the Lessee under this Section 6 or arising out of this Section 6, the Lessee shall either make such report or return in such manner as will show the interests of the Trustee or, if applicable, the Owner in the Units and, if requested, shall promptly provide a copy thereof to the Trustee or, if applicable, the Owner, or if not permitted by law to file the same shall promptly notify the Trustee, the Owner and the Vendor of such requirement and shall make such report or return in such manner as shall be satisfactory to the Trustee, the Owner and the Vendor. All costs and expenses (including legal and accountants' fees) of preparing any such return or report shall be borne by the Lessee. If an Indemnified Person has actual notice that a report, return, statement, or other information is required with respect to any Tax other than Taxes required to be reported on a return in the name of such Indemnified Person or any of its Affiliates reporting transactions other than those contemplated by the Documents, or that a taxing authority has made a claim for payment of such Tax, it shall promptly so notify the Lessee, shall furnish the Lessee with copies of the relevant portions of all written communications from any taxing authority relating to such Tax, and, if requested by the Lessee, shall request such taxing authority to contact the Lessee regarding such information relating to the transactions contemplated by the Documents.

SECTION 6.06. All the obligations of the Lessee and each Indemnified Person under this Section 6 shall survive and continue, notwithstanding termination of this Lease. All amounts payable by the Lessee pursuant to this Section 6 shall be payable directly to the Indemnified

Person entitled to indemnification, except to the extent paid to a governmental agency or taxing authority.

SECTION 6.07. The Lessee shall furnish promptly, upon request, such information and data as are normally available to the Lessee and which the Vendor or the Owner reasonably may require to permit compliance with the requirements of any taxing authorities.

Section 6.08 Notwithstanding anything in this Lease or in any of the other Documents to the contrary, if, on the date any payment is required to be made by either party under this Section 6, there shall have occurred and be continuing a Default or an Event of Default with respect to the obligations of the payee hereunder, then such payment shall not be required unless and until the payee shall have cured such Default or Event of Default.

SECTION 7.01. Casualty Occurrences; Terminations and Insurance. In the event that any Unit shall be or become worn out, lost, stolen, destroyed, irreparably damaged, or permanently rendered unfit for use from any cause whatsoever, taken or requisitioned by condemnation or otherwise resulting in loss of possession by the Lessee for a period of 90 consecutive days, except requisition for use by the United States Government for a period not in excess of the then remaining term of this Lease, ("Casualty Occurrence") during the term of this Lease or until such Unit shall have been returned in the manner provided in Section 11 or Section 14 hereof, the Lessee shall within 60 days after the Lessee has determined that a Casualty Occurrence has occurred notify the Trustee and the Vendor with respect thereto. On the rental payment date next succeeding the delivery of such notice (or, in the event such rental payment date will occur within 15 days after delivery of notice, on the following rental payment date, or, in the event the term of this Lease has already expired or will expire within 15 days after delivery of such notice, on a date within 15 days of such delivery) ("Casualty Payment Date"), the Lessee shall pay to the Trustee on such Casualty Payment Date a sum equal to the Casualty Value of such Unit as of such Casualty Payment Date plus any arrears rent due in respect of such Unit. Upon the making of such payment by the Lessee in respect of any Unit, the rental for such Unit shall cease to accrue as of such Casualty Payment Date, the term of this Lease as to such Unit shall terminate and (except in the case of the loss, theft or complete destruction of such Unit) the Trustee shall be entitled to

recover possession of such Unit. If the Casualty Payment Date shall be after the term of this Lease in respect of such Unit has expired, no rental for such Unit shall accrue after the end of such term, but, in addition to paying the Casualty Value for such Unit, the Lessee shall pay interest thereon from the end of such term to the Casualty Payment Date at the rate of 9.48% per annum.

SECTION 7.02. The Trustee hereby appoints the Lessee its agent to dispose of any Unit suffering a Casualty Occurrence or any component thereof, before or after the expiration of this Lease, at the best price obtainable on an "as is, where is" basis. Provided that the Lessee has previously paid the Casualty Value and accrued rentals to the Trustee and is not in default hereunder or an event which after notice or lapse of time or both would become a default hereunder and is not continuing, the Lessee shall be entitled to the proceeds of such sale to the extent they do not exceed the Casualty Value of such Unit and accrued rentals, and shall pay any excess, less reasonable expenses incurred in connection therewith, to the Trustee. All proceeds due to the Lessee in respect to any AAR interline settlement in respect of a Casualty Occurrence shall be for the account of the Lessee provided the Lessee has paid the Casualty Value in respect thereof and accrued rentals; but if the Lessee fails to so pay such Casualty Value, all such proceeds shall be for the account of the Trustee to the extent of the Casualty Value and accrued rentals.

SECTION 7.03. The Casualty Value of each Unit as of the Casualty Payment Date for each such Unit shall be that percentage of the Purchase Price of such Unit as is set forth in Schedule C hereto opposite such date.

SECTION 7.04. In the event of the requisition for use by the United States Government (the "Government") of any Unit during the term of this Lease or any renewal thereof, unless such requisition shall constitute a Casualty Occurrence, all of the Lessee's obligations under this Lease with respect to such Unit shall continue to the same extent as if such requisition had not occurred, except that if such Unit is returned by the Government at any time after the end of the term of this Lease, the Lessee shall be obligated to return such Unit to the Trustee pursuant to Section 11 or Section 14 hereof, as the case may be, promptly upon such return by the Government rather than at the end of the term of this Lease; but the Lessee shall in all other respects comply with the provisions of said Section 11 or Section 14, as the case may be, with respect to such Unit. All payments

received by the Trustee or the Lessee from the Government for the use of such Unit during the term of this Lease shall be paid over to, or retained by, the Lessee provided no Event of Default (or other event which after notice or lapse of time or both would become an Event of Default) shall have occurred and be continuing; and all payments received by the Trustee or the Lessee from the Government for the use of such Unit after the term of this Lease, shall be paid over to, or retained by, the Trustee.

SECTION 7.05. Except as hereinabove in this Section 7 provided, the Lessee shall not be released from its obligations hereunder in the event of, and shall bear the risk of, any Casualty Occurrence to any Unit from and after delivery and acceptance thereof by the Lessee hereunder.

SECTION 7.06. In the event that the Lessee shall, in its sole good faith opinion as evidenced by a certificate of an officer of the Lessee, determine that all and not less than all of the Units of any Type have become obsolete or surplus, the Lessee shall have the right, at its option and on at least 120 days', but not more than 360 days', prior written notice to the Trustee, to terminate (herein called a "Surplus Termination") this Lease as to such Units as of any succeeding rent payment date specified in such notice (the "Termination Date"); provided, however, that (i) the Termination Date shall be after December 31, 1999, (ii) no Default shall have occurred and be continuing and (iii) on the Termination Date each such Unit shall be in the same condition as if being redelivered pursuant to Section 14 hereof.

SECTION 7.07. During the period from the 30th day after the giving of such notice until the fifth business day preceding any Termination Date, the Lessee shall (unless such Termination shall be a Buyout Termination, as such term is defined in Section 7.08) use its best efforts to obtain bids for the purchase of all Units subject to such Termination, and the Lessee shall at least five business days prior to such Termination Date certify to the Trustee the amount of each such bid and the name and address of the party (which shall not be a corporation or individual controlling, controlled by or under common control with the Lessee ("affiliate") or any party from whom the Lessee or any such affiliate intends thereafter to lease or acquire such Unit) submitting such bid. The Trustee or the Owner may, but shall not be obligated to, solicit such bids. On such Termination Date the Trustee shall sell all such Units for cash to the bidder who shall have submitted the highest bid prior to such Termination

Date, other than a bidder which is related to or affiliated with the Lessee or has any arrangement with the Lessee with respect to such Units. The total sale price realized at each such sale shall be applied to the prepayment of the CSA Indebtedness in accordance with Article 7 of the CSA and any balance shall be retained by the Trustee.

SECTION 7.08 The Lessee shall have the right, at its option and on at least 180 days', but not more than 360 days', prior written notice to the Trustee, to terminate (herein called a "Buy Out Termination"; Buy Out Terminations and Surplus Terminations are sometimes herein called "Terminations") this Lease as to all but not less than all the Units of any Type as of August 27, 2007; provided, however, that no Default shall have occurred and be continuing on said date (a "Termination Date"). Upon a Buy Out Termination, the Lessee may purchase all, but not less than all, Units of any such Type for 52.17% of their original Purchase Price ("Buy Out Amount").

SECTION 7.09. On any Termination Date, the Lessee shall pay to the Trustee (i) any rental payment due in arrears on such Termination Date, (ii) in the case of a Termination (other than a Buyout Termination), the excess, if any, of the Termination Value for each such Unit computed as of such date over the sale price of such Unit received by the Trustee (pursuant to Section 7.07) after the deduction of all expenses incurred by the Trustee in connection with such sale, and (iii) an amount equal to the applicable prepayment premium, if any, payable pursuant to Article 7 of the CSA on such date in respect of the CSA Indebtedness to be prepaid by the Trustee on such date. The Termination Value of each such Unit as of the payment date on which payment is to be made shall be that percentage of the Purchase Price of such Unit as is set forth in Schedule C hereto opposite such date. In no event shall the aggregate amount retained by the Trustee and received by the Trustee as aforesaid be less than the applicable CSA Termination Value (as defined in the CSA) as of such date.

SECTION 7.10. If no sale or retention pursuant to Section 7.12 hereof shall occur on the date scheduled therefor as provided above, this Lease shall continue in full force and effect without change unless and until the Lessee pays to the Trustee all applicable amounts specified in Section 7.09 for each Unit subject to the Termination and returns each such Unit to the Trustee pursuant to Section 14 hereof.

SECTION 7.11. In the event of any such sale and the receipt by the Trustee of the applicable amounts specified in Section 7.09, the obligation of the Lessee to pay rent pursuant to Section 3 hereof in respect of such Unit on each rental payment date shall continue to and including the Termination Date but shall then terminate, and the Lessee shall not be required to pay any advance rental. The Trustee shall be under no duty to solicit bids, to inquire into the efforts of the Lessee to obtain bids or otherwise to take any action or incur any cost or expense in connection with any sale other than to transfer or to cause to be transferred all the Trustee's right, title and interest in and to such Unit to the purchaser named in the highest bid certified by the Lessee to the Trustee as provided pursuant to Section 7.07. Any such sale shall be free and clear of all the Lessee's rights to such Unit, but otherwise shall be made without warranties other than against the Trustee's acts, excluding any acts giving rise to claims with respect to which the Lessee has agreed to indemnify the Trustee hereunder.

SECTION 7.12. If the Lessee shall exercise its option to terminate as to any Unit pursuant to Section 7.06, the Trustee may, notwithstanding Section 7.07, by written notice to the Lessee given within 90 days after the termination notice is given to the Trustee, elect to retain such Unit, in which case the Lessee shall not be obligated to pay the Termination Value to the Trustee; provided, however, that this Lease shall not terminate as to, and the Trustee may not retain, such Unit unless the CSA Indebtedness in respect of such Unit is prepaid by the Trustee on the Termination Date as required pursuant to Article 7 of the CSA. In the event the Trustee shall so elect to retain such Unit, the Lessee shall deliver such Unit to the Trustee in accordance with the provisions of Section 14 hereof.

SECTION 7.13. The Lessee shall at all times while this Lease is in effect cause to be carried and maintained public liability insurance with respect to each Unit in such amounts, with such deductibles and against such risks as are customarily insured against and with such insurance companies of recognized responsibility as is usually carried by businesses of established reputation engaged in the same or similar business as the Lessee and similarly situated, and in any event, in amounts not less than and against such risks so as to be no less protective than the insurance, if any, maintained by the Lessee with respect to similar equipment owned or leased by the Lessee. Each policy with respect to such insurance shall (i) name the Trustee, both

in its individual and trust capacity, the Owner and the Agent as additional insureds, as their respective interests may appear, (ii) not require premiums, commissions and assessments from any additional insured, (iii) not require contribution from any other insurance coverage purchased by any additional insured, (iv) provide that no cancellation or material change shall be effective as to any insured until at least 30 days after the Trustee's, the Owner's and the Agent's receipt of written notice thereof, and (v) waive any right of subrogation against any additional insured. The Lessee shall, on or before May 1 of each calendar year commencing with 1990 and from time to time upon request of the Trustee, the Owner or the Vendor, furnish appropriate evidence of all insurance maintained hereunder. The Trustee, the Owner and the Vendor shall each have the right (but shall have no duty to) to maintain at its expense any casualty insurance on the Equipment for the purpose of protecting the fair value of the Units, provided, that such casualty insurance would not in any way impair any insurance required to be maintained by the Lessee hereunder. The parties hereto shall cooperate with each other to effectuate the purposes of the preceding sentence.

SECTION 8.01. Reports. On or before May 1 in each year, commencing with the calendar year 1991, the Lessee will furnish to the Trustee, the Owner and the Vendor an accurate statement (a) setting forth as at the preceding December 31 the amount, description and numbers of all Units then leased hereunder and covered by the CSA, the amount, description and numbers of all Units that have suffered a Casualty Occurrence during the preceding calendar year or, in the case of the first such statement, since the date of this Lease (specifying the dates of such Casualty Occurrences) and such other information regarding the condition and state of repair of the Units as the Trustee, the Owner or the Vendor may reasonably request and (b) stating that, in the case of all Units repainted or repaired during the period covered by such statement, the numbers and the markings required by Section 5 hereof and the CSA have been preserved or replaced. The Trustee shall have the right (but not any obligation) by its agents to inspect the Units and the Lessee's records with respect thereto at such reasonable times as the Trustee may request during the continuance of this Lease.

SECTION 8.02. The Lessee will at its expense prepare and deliver to the Trustee within a reasonable time prior to the required date of filing (or, to the extent permissible, file on behalf of the Trustee) any and all

reports (other than income tax returns except as provided in Section 6 hereof) to be filed by the Trustee with any Federal, state or other regulatory authority by reason of the ownership by the Trustee or the Vendor of the Units or the leasing thereof to the Lessee.

SECTION 9.01. Disclaimer of Warranties; Compliance with Laws and Rules; Maintenance; Indemnification. THE TRUSTEE DOES NOT MAKE, HAS NOT MADE OR SHALL NOT BE DEEMED TO MAKE OR HAVE MADE, ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE DESIGN, COMPLIANCE WITH SPECIFICATIONS, VALUE, OPERATION OR CONDITION OF, OR AS TO THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE UNITS OR ANY COMPONENT THEREOF DELIVERED TO THE LESSEE HEREUNDER, AND THE TRUSTEE DOES NOT MAKE ANY WARRANTY OF MERCHANTABILITY OR FITNESS OF THE UNITS OR ANY COMPONENT THEREOF FOR ANY PARTICULAR PURPOSE OR AS TO TITLE TO THE UNITS OR ANY COMPONENT THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO ANY UNIT OR ANY COMPONENT THEREOF (EITHER UPON DELIVERY THEREOF TO THE LESSEE OR OTHERWISE), it being agreed that all such risks, as between the Trustee and the Lessee, are to be borne by the Lessee; but the Trustee hereby irrevocably appoints and constitutes the Lessee its agent and attorney-in-fact during the term of this Lease, so long as no Event of Default shall have occurred and be continuing, to assert and enforce from time to time, in the name of and for the account of the Trustee and/or the Lessee, as their interests may appear, at the Lessee's sole cost and expense, whatever claims and rights (including warranty or similar claims) the Trustee may have against the Seller or the Manufacturer(s) of any Units or any components thereof. The Lessee shall be obligated to assist diligently with respect to any such claims and to use the proceeds, if applicable, for the repair or restoration of the Units affected thereby. The Trustee shall have no responsibility or liability to the Lessee or any other person with respect to any of the following: (i) any liability, loss or damage caused or alleged to be caused directly or indirectly by any Units or by any inadequacy thereof or deficiency or defect therein or by any other circumstance in connection therewith including strict liability in tort; (ii) the use, operation or performance of any Units or any risks relating thereto; (iii) any interruption of service, loss of business or anticipated profits or consequential damages; or (iv) the delivery, operation, servicing, maintenance, repair, improvement or replacement of any Units. The Lessee's delivery of a Certificate of Acceptance shall be conclusive evidence as between the Lessee and the Trustee that the Units described

therein are in all the foregoing respects satisfactory to the Lessee; and the Lessee will not assert any claim of any nature whatsoever against the Trustee based on any of the foregoing matters.

SECTION 9.02. The Lessee will, for the benefit of the Trustee, the Owner and the Vendor, comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each Unit) with all laws of the jurisdictions in which operations involving the Units may extend, with the Rules of the Association of American Railroads (except as indicated in Schedule A hereto) and with all lawful rules of the United States Department of Transportation , the Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Units, to the extent that such laws and rules affect the title, operation or use of the Units (all such laws and rules to such extent being hereinafter called "Applicable Laws") and in the event that Applicable Laws require any alteration, replacement, modification or addition of or to any part of any Unit, the Lessee will fully conform therewith at its own expense; provided, however, that the Lessee may upon written notice to the Trustee and the Vendor, in good faith, contest the validity or application of any such Applicable Laws in any reasonable manner which does not, in the opinion of the Trustee or the Vendor, adversely affect the property or rights of the Trustee or the Vendor, respectively, under this Lease or under the CSA.

SECTION 9.03. The Lessee shall, at its own cost and expense, maintain and keep, or cause to be maintained and kept, each Unit (including any Parts (as defined in Section 9.06) installed on or replacements made to any Unit and considered an accession thereto as hereinbelow provided) which is subject to this Lease in such condition as the Lessee would, in the prudent management of its own business, maintain and use similar equipment owned or leased by the Lessee, consistent with prudent industry practice but in any case so as to maintain each Unit in good operating order, repair and condition, ordinary wear and tear excepted.

SECTION 9.04. The term "Units" as used in this Lease shall not include any special devices, racks (including, but not limited to, automobile-carrying superstructures) or assemblies at any time attached to any Unit, the cost or purchase price of which is not included in the Purchase Price of the Units or the title to which is in a person other than the Trustee (all of which are hereinafter

called "Property Owned by Others"). The Trustee and the Lessee recognize that such special devices, automobile-carrying superstructures and other assemblies may be attached to the Units and may be owned and financed by persons other than the Trustee or the Lessee. The Trustee expressly acknowledges, for the purpose of assurance of any such persons and for the purpose of inducing attachment of such special devices, automobile-carrying superstructures and other assemblies to the Units, that the Trustee has no rights therein and that such persons may, at their own cost and expense, upon written notice to the Trustee and the Vendor, remove such special devices, automobile-carrying superstructures and other assemblies from the Units. The Lessee represents and warrants that it will, at the time of termination of this Lease (i) cause all Property Owned by Others to be removed from the Units, (ii) repair all damage, if any, caused by such removal, and (iii) after such removal, the value or utility of the Unit to which it was attached will not be diminished or impaired from what such value or utility would have been if such Property of Others had not been attached thereto.

SECTION 9.05. The Lessee and its affiliates, at their own cost and expense, may from time to time make such other alterations, modifications and additions at any time attached or affixed to any Unit, the cost of which is not included in the Purchase Price of such Unit and which are not required for the operation or use of such Unit by the Interstate Commerce Commission, the United States Department of Transportation or any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over such Unit (hereinafter collectively called "Additions") to the Units as the Lessee may deem desirable in the proper conduct of its business so long as such Additions shall not be inconsistent with the continuing operation of the Units and shall not diminish the useful life, value, utility or condition of the Units below the useful life, value, utility and condition thereof immediately prior to the making of such Additions, assuming the Units were then in the condition required to be maintained by the terms of this Lease; <u>provided</u>, <u>however</u>, that, without the prior written consent of the Trustee, no such Addition shall be made if it is not readily removable from the Unit to which it relates without material damage thereto or without diminishing or impairing the useful life, value or utility which the Unit would have had immediately prior to such time had such Addition not been made.

SECTION 9.06. Title to all Parts (as hereinbelow defined) incorporated in or installed as part of a Unit shall without further act vest in the Trustee and be subject to a valid first lien and prior perfected security interest under the CSA in the following cases: (i) such Part is in replacement of or in substitution for, and not in addition to, any Part originally incorporated in or installed as part of such Unit at the time of the acceptance thereof hereunder or any Part in replacement of, or in substitution for any such original Part, (ii) such Part is required to be incorporated in or installed as part of such Unit pursuant to the terms of Section 9.02 or Section 9.03, or (iii) notwithstanding the provisions of Section 9.05, such Part cannot be readily removed from such Unit to which it relates without material damage thereto and without diminishing or impairing the value or utility which such Unit shall have had at such time had such alteration or addition not occurred. In all other cases, if no Event of Default, or event which with notice or lapse of time or both would constitute an Event of Default shall have occurred and be continuing, title to Parts incorporated in or installed as parts of the Units as a result of such alterations or additions shall vest in the Lessee. The term Part for the purposes of this paragraph and Section 14 hereof shall be defined to include any appliance, part, instrument, accessory, furnishing or other equipment of any nature which may from time to time be incorporated in or installed as part of any Unit other than Property Owned by Others.

SECTION 9.07. The Lessee shall pay, and shall protect, indemnify and hold each Indemnified Person, harmless from and against any and all causes of action, suits, penalties, claims, demands or judgments, of any nature whatsoever which may be imposed on, incurred by or asserted against any Indemnified Person (including any or all liabilities, obligations, damages, costs, disbursements, expenses including without limitation attorneys' fees and expenses of any Indemnified Person relating thereto) in any way relating to or arising or alleged to arise out of this Lease, the Participation Agreement, the CSA or any other agreement contemplated hereby, or the Units, including without limitation those in any way relating to or arising or alleged to arise out of (i) the manufacture, construction, purchase, acceptance, rejection, ownership, delivery, nondelivery, lease, possession, use, operation, condition, sale, return or other disposition of any Unit or portion thereof; (ii) any latent or other defects whether or not discoverable by any Indemnified Person or the Lessee; (iii) any claim for patent, trademark or copyright infringement; (iv) any claims

based on strict liability in tort or by statute imposed; (v) any injury to or the death of any person or any damage to or loss of property on or near the Units or in any manner growing out of or concerned with, or alleged to grow out of or be connected with, the ownership, use, replacement, adaptation or maintenance of the Units or of any other equipment in connection with the Units (whether owned or under the control of the Trustee, the Lessee or any other person) or resulting or alleged to result from the condition of any thereof; (vi) any misrepresentation by the Lessee under this Lease or the Participation Agreement or any violation, or alleged violation, of any provision of this Lease, the Participation Agreement or any other Lessee Document (except by the person seeking indemnity) or of any agreement, law, rule, regulation, ordinance or restriction, affecting or applicable to the Units or the leasing, ownership, use, replacement, adaptation or maintenance thereof; (vii) any claim arising out of any of the Trustee's obligations under the Lease Assignment, the CSA or the Participation Agreement, except to the extent such claim arises from an act or omission of the party claiming indemnification; (viii) any claim arising out of the Vendor's holding a security interest under the CSA or the Lease Assignment or (ix) any amendment, modification, waiver or consent requested by or consented to by the Lessee or (x) the offer, sale or delivery of the CSA Indebtedness or any indebtedness issued in replacement thereof or (xi) any offer or sale of any equity interest in this transaction by or on behalf of the Lessee prior to the commencement of this Lease (all of which matters hereinabove set forth in this paragraph being hereinafter called "Indemnified Matters"). All payments hereunder shall be made directly to the Indemnified Person irrespective of whether an Event of Default shall have occurred hereunder. The Lessee shall be obligated under this Section 9, irrespective of whether any Indemnified Person shall also be indemnified with respect to the same matter under any other agreement by any other person, and the Indemnified Person seeking to enforce the indemnification may proceed directly against the Lessee under this Section 9 without first resorting to any such other rights of indemnification. In case any action, suit or proceeding is brought against any Indemnified Person in connection with any Indemnified Matter, the Lessee may and, upon such Indemnified Person's request, will at the Lessee's expense resist and defend such action, suit or proceeding, or cause the same to be resisted or defended by counsel selected by the Lessee and approved by such Indemnified Person, as the case may be, and, in the event of any failure by the Lessee to do so, the Lessee shall pay all costs and expenses

(including without limitation attorneys' fees and expenses) incurred by such Indemnified Person in connection with such action, suit or proceeding. In the event the Lessee is required to make any payment under this Section 9, the Lessee shall pay such Indemnified Person an amount which, after deduction of all taxes required to be paid by such Indemnified Person in respect of the receipt thereof under the laws of the United States or of any political subdivision thereof (after giving credit for any savings in respect of any such taxes by reason of deductions, credits or allowances in respect of the payment of the expense indemnified against, and of any other such taxes as determined in the sole discretion of the Indemnified Person), shall be equal to the amount of such payment. The Lessee and the Trustee each agrees to give each other promptly upon obtaining knowledge thereof written notice of any claim or liability hereby indemnified against. Upon the payment in full of any indemnities as contained in this Section 9 by the Lessee, and provided that no Event of Default (or other event which with lapse of time or notice or both would constitute an Event of Default) shall have occurred and be continuing, it shall be subrogated to any right of such Indemnified Person in respect of the Indemnified Matter against which indemnity has been given. Any payments received by such Indemnified Person from any person (except the Lessee) as a result of any Indemnified Matter with respect to which such Indemnified Person has been indemnified by the Lessee pursuant to this Section 9 shall be paid over to the Lessee to the extent necessary to reimburse the Lessee for indemnification payments previously made in respect of such matter.

SECTION 9.08. The indemnities contained in this Section 9 shall survive the expiration or termination of this Lease with respect to all events, facts, conditions or other circumstances occurring or existing prior to such expiration or termination and are expressly made for the benefit of, and shall be enforceable by any Indemnified Person. None of the indemnities in this Section 9 shall be deemed to create any rights of subrogation in any insurer or third party against the Lessee or the Trustee therefor, from or under any Indemnified Person, whether because of any claim paid or defense provided for the benefit thereof or otherwise. The foregoing indemnities by the Lessee shall not constitute a guarantee by the Lessee of the payment of any installments of principal or interest payable under the CSA or a guarantee of the residual value of the Equipment.

SECTION 10.01 Default. If, during the continuance of this Lease, one or more of the following events (each such event being herein sometimes called an "Event of Default") shall occur:

A. payment of any part of the rental provided in Section 3 or Section 13 hereof or payment in respect of any Casualty Occurrence or Termination pursuant to Section 7 hereof shall not be made by or on behalf of the Lessee and such failure to make payment shall continue for 5 business days; or

B. default shall be made in the observance or performance of any other of the material terms (including payment of insurance premiums), covenants and conditions on the part of the Lessee contained herein or in the Participation Agreement or the Consent, and such default shall continue for 30 days after written notice from the Trustee or the Vendor to the Lessee (but with respect to any payment due directly to the Trustee or the Owner including amounts of interest payable as additional rent in accordance with the terms of the Tax Indemnity Agreement, such notice may be sent only by the Owner) specifying the default and demanding that the same be remedied, unless such default is capable of being cured, action has been taken within such 30 day period to commence such cure and such action is being diligently pursued (but in any event not longer than 180 days); or

C. any representation or warranty made by the Lessee herein or in the Consent or in the Participation Agreement or in any agreement, document or certificate required to be delivered by the Lessee pursuant hereto or thereto shall prove to have been incorrect in any material respect when made or given and the Lessee shall not remedy the situation in a manner satisfactory to the Trustee within 30 days after written notice thereof from the Trustee, unless such breach is capable of being cured, action has been taken within such 30 day period to commence such cure and such action is being diligently pursued (but in any event not longer than 180 days); or

D. any proceeding shall be commenced by or against the Lessee for any relief which includes, or might result in, any modification of the obligations of the Lessee under this Lease, the Participation Agreement or the Consent under any bankruptcy or insolvency

laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements , compositions or extensions (other than a law which does not permit any readjustments of such obligations), and, unless such proceeding shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Lessee under this Lease, under the Participation Agreement or under the Consent, as the case may be, shall not be and shall not continue to be duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed (whether or not subject to ratification) for the Lessee or for the property of the Lessee in connection with any such proceeding in such manner that such obligations shall have the same status as expenses of administration and obligations incurred by such a trustee or trustees or receiver or receivers, within 60 days after such proceedings shall have been commenced; or

E. an event of default set forth in Article 15 of the CSA shall have occurred resulting directly from any default by the Lessee in performing any of its obligations hereunder or under the Participation Agreement;

then, in any such case, the Trustee at its option, may,

(a) proceed by appropriate court action or actions either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof; or

(b) by notice in writing to the Lessee terminate this Lease with respect to any or all of the Units, whereupon all rights of the Lessee to the use of such Units shall absolutely cease and terminate as though this Lease had never been made, but the Lessee shall remain liable as herein provided; and thereupon the Trustee may by its agents enter upon the premises of the Lessee or other premises where any of such Units may be and take possession of all or any of such Units and thenceforth hold, possess, sell, operate, lease to others and enjoy the same free from any right of the Lessee, or its successors or assigns, to use such Units for any purposes whatever and without any duty to account to the Lessee for such action or inaction or for any proceeds arising therefrom; but the Trustee

shall, nevertheless, have a right to recover from the Lessee any and all amounts which under the terms of this Lease may be then due or which may have accrued to the date of such termination (computing the rental for any number of days less than a full rental period by multiplying the rental for such full rental period by a fraction of which the numerator is such number of days and the denominator is the total number of days in such full rental period) in respect of such Units and also to recover forthwith from the Lessee as damages for loss of the bargain and not as a penalty, whichever of the following amounts the Trustee, in its sole discretion, shall specify: (x) a sum with respect to each such Unit which represents the excess of (1) the present value, at the time of such termination, of the entire unpaid balance of all rentals for such Unit which would otherwise have accrued hereunder from the date of such termination to the end of the term of this Lease as to such Unit over (2) the then present value of the rentals which the Trustee reasonably estimates to be obtainable for each such Unit during such period, such present value to be computed in each case on the basis of a 6% per annum discount, compounded semiannually from the respective dates upon which rentals would have been payable hereunder had this Lease not been terminated, together with any damages and expenses, including reasonable attorneys' fees, in addition thereto which the Trustee shall have sustained by reason of the breach of any covenant, representation or warranty of this Lease other than for the payment of the rental; or (y) an amount equal to the excess, if any, of the Casualty Value of each such Unit as of the rental payment date on or next preceding the date of termination over the amount the Trustee reasonably estimates to be the sales value (after deduction of all estimated expenses of such sale) of such Unit at such time; provided, however, that in the event the Trustee shall have sold any such Unit, the Trustee, in lieu of collecting any amounts payable to the Trustee by the Lessee pursuant to the preceding clauses (x) and (y) of this part (b) with respect to such Unit, may, if it shall so elect, demand that the Lessee pay to the Trustee, and the Lessee shall pay to the Trustee on the date of such sale, as liquidated damages for loss of a bargain and not as a penalty, an amount equal to the excess, if any, of the Casualty Value for such Unit, as of the rental payment date on or next preceding the date of termination, over the net proceeds of such sale.

In addition, the Lessee shall be liable, except as otherwise provided above, for any and all unpaid amounts due hereunder before, during or after the exercise of any of the foregoing remedies and for all reasonable attorneys' fees and other costs and expenses incurred by reason of the occurrence of any Event of Default or the exercise of the Trustee's remedies with respect thereto, including all costs and expenses incurred in connection with the return of any Unit.

SECTION 10.02. The remedies in this Lease provided in favor of the Trustee shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in its favor existing at law or in equity. The Lessee hereby waives any requirements of law, now or hereafter in effect, which might limit or modify the remedies herein provided, to the extent that such waiver is permitted by law. The Lessee hereby waives any and all existing or future claims to any offset against the rental payments due hereunder and agrees to make rental payments regardless of any offset or claim which may be asserted by the Lessee or on its behalf.

SECTION 10.03. The failure of the Trustee to exercise, or the delay by the Trustee in exercising, the rights granted it hereunder upon the occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies; and a waiver of any such right on one occasion shall not constitute a waiver of such right as to any other occasion and shall not be effective unless in writing signed by the Trustee.

SECTION 10.04. The Lessee also agrees to furnish the Trustee, the Owner and the Vendor, promptly upon any responsible officer's acquiring actual knowledge of any condition which constitutes an Event of Default hereunder or which, after notice or lapse of time or both, would constitute such an Event of Default, written notice specifying such condition and the nature and status thereof. For the purposes of this Section 10, a "responsible officer" shall mean, with respect to the subject matter of any covenant, agreement or obligation of the Lessee, any corporate official of the Lessee who in the normal performance of his operational responsibilities would have knowledge of such matter and the requirements of this Lease with respect thereto.

SECTION 11.01. Return of Units Upon Default. If this Lease shall terminate in respect of any of the Units pursuant to Section 10 hereof, the Lessee shall forthwith deliver possession of such Units to the Trustee and shall give prompt telegraphic and written notice to the Association of American Railroads and all railroads having possession of any Unit so to return such Units. Each Unit returned to the Trustee pursuant to this Section 11 shall (i) be in the same operating order, repair and condition as when originally delivered to the Lessee, reasonable wear and tear excepted, (ii) have attached or affixed thereto any Part title to which is in the Trustee pursuant to Section 9 hereof and have removed therefrom at Lessee's expense any Part or Addition title to which is in the Lessee or any other person pursuant to such Section 9 and any Property Owned by Others, and (iii) meet the standards then in effect under the Interchange Rules of the Association of American Railroads (except as set forth in Schedule A hereto), if applicable, or such comparable standards as may then be in effect. For the purpose of delivering possession of any such Unit or Units to the Trustee as above required, the Lessee shall at its own cost, expense and risk:

(a) forthwith and in the usual manner cause such Units to be transported to such location as shall reasonably be designated by the Trustee and there assembled,

(b) furnish and arrange for the Trustee to store such Units on any lines of railroad or premises approved by the Trustee until such Units have been sold, leased or otherwise disposed of by the Trustee, and

(c) cause such Units to be moved to such interchange point or points as shall be designated by the Trustee upon any sale, lease or other disposal of all or any of such Units.

The assembling, delivery, maintenance, storage and transporting of the Units as hereinbefore provided shall be at the expense and risk of the Lessee (and the Lessee will during this period maintain the insurance required by Section 7 of this Lease to be maintained) and are of the essence of this Lease; and, upon application to any court of equity having jurisdiction in the premises, the Trustee shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to assemble, deliver, store and transport the Units. During any storage period, the Lessee will permit the Trustee or

any person designated by it, including the authorized representative or representatives of any prospective purchaser or lessee of any such Unit, to inspect the same. In the event that any of the Units are sold, the Lessee shall pay to the Trustee the per diem interchange for each such Unit which shall not have been assembled, delivered and stored, as hereinbefore provided, by the date of such sale for each day from the date of such sale to the date of delivery to the purchaser thereof.

SECTION 11.02. Without in any way limiting the obligation of the Lessee under the foregoing provisions of this Section 11, the Lessee hereby irrevocably appoints the Trustee as the agent and attorney of the Lessee, with full power and authority, at any time while the Lessee is obligated to deliver possession of any Unit to the Trustee, to demand and take possession of such Unit in the name and on behalf of the Lessee from whomsoever shall be in possession of such Unit at the time.

SECTION 12.01. Assignment; Sublease; Possession and Use. This Lease shall be assignable in whole or in part by the Trustee to another trustee without the consent of the Lessee; but the Lessee shall be under no obligation to any assignee of the Trustee other than the Vendor except upon written notice of such assignment from the Trustee. All the rights of the Trustee hereunder and obligations of the Lessee (including, but not limited to, the rights under Sections 6, 7 and 10 and the rights to receive the rentals payable under this Lease) shall inure to the benefit of the Owner and the Trustee's assigns.

SECTION 12.02. So long as no Event of Default or event of default exists hereunder or under the CSA and the Lessee shall have fully complied with the provisions of this Section 12, the Lessee shall be entitled to the possession of the Units and also to sublease, for a term which does not exceed the term of this Lease, the Units to, or to permit their use under the terms of car contracts by, a sublessee or user incorporated in the United States of America (or any State thereof or the District of Columbia) or Canada (or any Province thereof) or Mexico, upon lines of railroad owned or operated by a railroad company or companies incorporated in the United States of America (or any State thereof or the District of Columbia) or Canada (or any Province thereof) or Mexico, or over which such railroad company or companies have trackage rights or rights for operation of their trains, and upon connecting and other carriers in the usual interchange of traffic in the continental United States,

only upon and subject to all the terms and conditions of this Lease; provided, however, that if the Lessee subleases, uses or permits the use of any Unit in Canada (or any Province or Territory thereof) or Mexico, the Lessee shall, except as otherwise provided in Section 15 hereof, first have (a) taken all necessary action to protect the right, title and interest of the Trustee and the Vendor in the Units to be so subleased or used and (b) furnished the Trustee and the Vendor with an Opinion of Canadian counsel or Mexican counsel, as the case may be, satisfactory to the Trustee and the Vendor to the effect that such action is all that is necessary to protect the right, title and interest of the Trustee and the Vendor in such Units.

SECTION 12.03. Any such sublease may provide that the sublessee, so long as it shall not be in default under such sublease, shall be entitled to the possession of the Units included in such sublease and the use thereof; provided, however, that every such sublease shall be subject to the rights and remedies of the Vendor under the CSA and the Trustee under this Lease in respect of the Units covered by such sublease upon the occurrence of an event of default thereunder or an Event of Default hereunder.

SECTION 12.04. The Lessee, at its own expense, will as soon as possible cause to be duly discharged any lien, charge, security interest or other encumbrance (except any sublease or car contract as aforesaid and other than an encumbrance resulting from claims against the Trustee or the Vendor not related to the ownership or leasing of, or the security interest of the Vendor in, the Units) which may at any time be imposed on or with respect to any Unit including any accession thereto or the interest of the Trustee, the Owner, the Vendor or the Lessee therein. The Lessee shall not, without the prior written consent of the Trustee, part with the possession or control of, or suffer or allow to pass out of its possession or control, any of the Units, except to the extent permitted by the provisions of this Section 12.

SECTION 12.05. Nothing in this Section 12 shall be deemed to restrict the right of the Lessee to assign or transfer its leasehold interest under this Lease in the Units or possession of the Units to any corporation incorporated under the laws of the United States of America or any state thereof or the District of Columbia (which was solvent immediately prior to such assignment and transfer and which shall have specifically assumed the obligations of the Lessee hereunder, under the Consent and under the

Participation Agreement by an appropriate instrument in writing) into or with which the Lessee shall have become merged or consolidated or which shall have acquired the property of the Lessee as an entirety or substantially as an entirety, provided that such assignee or transferee will not, upon the effectiveness of such merger, consolidation or acquisition be in default under any provision of this Lease.

SECTION 13.01. Renewal Option and Purchase Options. Provided that this Lease has not been earlier terminated and the Lessee is not in default hereunder, the Lessee may by written notice delivered to the Trustee not less than 120 days or more than 360 days prior to the end of the original term of this Lease elect to extend the term of this Lease in respect of all, but not less than all, of the Units of any Type then covered by this Lease for one additional period, in full year increments, commencing on the scheduled expiration of such original term and ending on the February 27 or August 27 selected by the Lessee (the "Fixed Rate Renewal Term"); provided, however, the Fixed Rate Renewal Term shall not end later than the earlier of the last day on which (i) the estimated residual value (without taking into account inflation or deflation) of such Units shall be greater than or equal to 20% of the aggregate Purchase Price of such Units and (ii) the period from the Settlement Date relating to such Units to said date would be 80% of the economic useful life of such Units measured from the Settlement Date (based upon an appraisal satisfactory to the parties at the end of the original term of the Lease). The rents for such extended term shall be payable semiannually and ending on the last day of the Fixed Rate Renewal Term in an amount per Unit equal to 50% of the average rent paid per Unit during the original term hereof as set forth in Schedule B hereto as it may be amended from time to time.

SECTION 13.02. Provided that this Lease has not been earlier terminated and the Lessee is not in default hereunder, the Lessee may by written notice delivered to the Trustee not less than 120 days or more than 180 days prior to the end of the original term or the fixed rate renewal term of this Lease with respect to the Units of any Type elect to extend the term of this Lease for a single term consisting of increments of one year commencing on the scheduled expiration of the prior term with respect to all Units of any Type then remaining under this Lease. The rents for such extended term shall be payable semiannually in arrears in an amount per Unit equal to the then Fair Market Rental thereof.

SECTION 13.03. Provided that this Lease has not been earlier terminated and no Event of Default hereunder has occurred and is continuing, the Lessee may, by written notice delivered to the Trustee not less than the 120 days or more than 180 days prior to the end of the original or any renewal term of this Lease, elect to purchase all, but not less than all, of the Units of any Type then covered by this Lease for an amount equal to (i) in the case of a purchase at the end of the original term of this Lease, the lesser of the Fair Market Value thereof or 40.70% of the aggregate Purchase Price of such Units or (ii) in the case of a purchase at the end of any renewal term of this Lease, an amount equal to the Fair Market Value thereof, which amount shall be paid to the Owner in immediately available funds on the last day of the original or extended term of this Lease, as the case may be. Fair Market Value (Fair Market Rental) shall be determined on the basis of, and shall be equal in amount to, the price which would obtain in an arm's-length transaction between an informed and willing buyer (lessee) and an informed and willing seller (lessor) under no compulsion to buy or sell and, in such determination, costs of removal from the location of current use shall not be a deduction from such price and it shall be assumed that all the Units have been assembled in one place and are not encumbered by this Lease and are in the condition required by the terms hereof. If, after 30 days from the giving of notice by the Lessee of the Lessee's election to purchase (lease) such Units, the Lessor and the Lessee are unable to agree upon a determination of the Fair Market Value (Fair Market Rental) of the Units, such Fair Market Value (Fair Market Rental) shall be determined in accordance with the foregoing definition by the following procedure: If either party to such determination shall have given written notice to the other requesting determination of such value by this appraisal procedure, the parties shall consult for the purpose of appointing a qualified independent appraiser by mutual agreement. If no such appraiser is so appointed within 20 days after such notice is given, each party shall appoint an independent appraiser within 25 days after such notice is given, and the two appraisers so appointed shall within 30 days after such notice is given, appoint a third independent appraiser. If no such third appraiser is appointed within 30 days after such notice is given either party may apply, to make such appointment, to the American Arbitration Association, and both parties shall be bound by any appointment so made. Any appraiser or appraisers appointed pursuant to the foregoing procedure shall be instructed to determine the Fair Market Value (Fair Market Rental) of the Units within 45 days after his or their appointment. If the parties shall have appointed a

single appraiser or if either party shall have failed to appoint an appraiser, the determination of Fair Market Value (Fair Market Rental) of the single appraiser appointed shall be final. If 3 appraisers shall be appointed, the determination of the appraiser which differs most from the other 2 appraisers shall be excluded, the remaining 2 determinations shall be averaged and such average shall be final and binding upon the parties hereto as the Fair Market Value (Fair Market Rental). The appraisal proceedings shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association as in effect on the date hereof, except as modified hereby. The provision for this appraisal procedure shall be the exclusive means of determining Fair Market Value (Fair Market Rental) and shall be in lieu of any judicial or other procedure for the determination thereof, and each party hereto hereby consents and agrees not to assert any judicial or other procedures. The expenses of the appraisal procedure shall be borne by the Lessee, if a fixed rate purchase is available, otherwise such expense shall be borne equally by the Lessee and the Trustee.

SECTION 14.01. Return of Units upon Expiration of Term. On or prior to the termination of the term of this Lease or as soon as practicable on or after the termination of the term of this Lease and in any event not later than 90 days after the termination of the term of this Lease the Lessee will, at its own cost and expense, at the request of the Trustee, cause each Unit to be transported to such point or points (not in excess of three) as shall be reasonably designated by the Trustee immediately prior to such termination and arrange for the Trustee to store each Unit on any lines of railroad or premises approved by the Trustee for a period commencing on the date of its arrival at any such point and extending thereafter to a date not later than 180 days from the date at which at least 90% of the Units are first placed in storage pursuant to this Section 14; the assembly, delivery, storage and transporting of the Units to be at the expense and risk of the Lessee, and the Lessee will during this period maintain the insurance required by Section 7 of this Lease to be maintained. During any such storage period the Lessee will permit the Trustee or any person designated by it, including the authorized representative or representatives of any prospective purchaser or lessee of such Unit, to inspect the same; provided, however, that the Lessee shall not be liable except in the case of negligence or intentional act of the Lessee or of its employees or agents and, except to the extent otherwise provided by law, for any injury to or the death of any

person exercising, either on behalf of the Trustee or any prospective purchaser or lessee, the rights of inspection granted under this sentence. The assembly, delivery, storage and transporting of the Units as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises, the Trustee shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so to cause the assembly, delivery, storage and transporting of the Units. If any of the Units suffers a Casualty Occurrence during any storage period provided for in this Section 14, the Lessee shall pay to the Trustee the Casualty Value of such Unit as determined in accordance with Section 7 hereof. In the event that by the 90th day after the termination of the original or any extended term of this Lease the Lessee has not, at the request of the Trustee, caused at least 90% of the Units to be transported to such point or points as shall have been designated by the Trustee pursuant to this Section 14, the Lessee shall pay to the Trustee an amount equal to the per Unit daily equivalent of the average annual rental payable over the original term of this Lease multiplied by the number of such Units equal to the difference between 90% of such Units and the number of such Units previously delivered pursuant to this Section 14 (such number to be determined on each day) for each day from such 90th day to the date on which at least 90% of such Units have been so transported. If, after the 180th day after the termination of this Lease, any of such Units have not been so transported, the Lessee shall pay to the Trustee an amount equal to 125% of the daily equivalent of the average annual rental payable over the original term of this Lease for each such Unit not so transported for each day after the end of such period until such Unit or Units have been so transported.

SECTION 14.02. Each Unit returned to the Trustee pursuant to this Section 14 shall (i) be in the same operating order, repair and condition as when originally delivered to the Lessee, ordinary wear and tear excepted, (ii) have attached or affixed thereto any Part title to which is in the Trustee pursuant to Section 9 hereof and have removed therefrom at Lessee's expense any Part or Addition title to which is in the Lessee or any other person pursuant to such Section 9 and any Property Owned by Others, and (iii) meet the standards then in effect under the Interchange Rules of the Association of American Railroads, but only to the extent such standards apply to Units of each Type subject to this Lease. Notwithstanding the foregoing, any and all NTTX spine cars or TTAX all purpose spine cars shall not be

required to conform the AAR impact cushioning tests. (As a consequence of the inability of these cars to comply with these tests, their use is restricted in switching procedures as to such things as yard humping or flat switching with motor power detached).

SECTION 14.03. Upon the expiration of the original term of this Lease on August 26, 2010, if the Lessee shall decide not to exercise the renewal option provided by Section 13 hereof or upon the expiration of any extended term of this Lease, the Lessee will deliver to the Trustee a certificate of an officer of the Lessee to the effect that (a) no Event of Default or any event which with lapse of time or notice or both would constitute an Event of Default had occurred or was continuing as of said date; (b) no liens, charges, security interests or other encumbrances (except an encumbrance resulting from claims against the Trustee) were, as of said date, imposed on or with respect to any Unit, any accession thereto, or the interest of the Trustee therein; (c) the Units have been returned to the Trustee pursuant to this Section 14 in the same operating order, repair and condition required by this Section 14 and (d) the Lessee no longer has any interest in the Units under the Lease or otherwise. If a certificate of an officer of the Lessee is required to be furnished pursuant to the preceding sentence, it shall be furnished on a monthly basis, beginning one month later, and such certificate shall cover each such Unit returned during the preceding 30 calendar days and shall apply to each such Unit as of the date such Unit was returned pursuant to the provisions of the first paragraph of this Section 14.

SECTION 15.01. Recording. The Lessee, at its own expense, will cause this Lease, the CSA, the CSA Assignment, the Lease Assignment and any assignment hereof or thereof to be filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 and deposited with the Registrar General of Canada (and notice of such deposit to be given forthwith in The Canada Gazette) pursuant to Section 86 of the Railway Act of Canada. The Lessee will, at its own expense, undertake the filing, registering, deposit, and recording required of the Trustee under the CSA and will from time to time do and perform any other act and will execute, acknowledge, deliver, file, register, record (and will refile, re-register, deposit and redeposit or rerecord whenever required) any and all further instruments required by law or reasonably requested by the Trustee or the Vendor for the purpose of proper protection, to their satisfaction, of the Vendor's and the Trustee's respective interests in the

Units, or for the purpose of carrying out the intention of this Lease, the CSA or the Lease Assignment; provided, however, that the Lessee shall not be required to take any such action in respect of any jurisdiction outside the United States if (1) the Lessee deems such action to be unduly burdensome, (2) after giving effect to the failure to take such action, the Lessee has taken all action required by law to protect the title of the Trustee to and the security interest of the Vendor in Units having a Purchase Price (as defined in Article 4 of the CSA) of not less than 85% of the aggregate Purchase Price of all the Units then subject to this Lease, and (3) any Unit at any time located in such jurisdiction shall have been marked with the markings specified in Section 5 hereof.

SECTION 15.02. The Lessee will promptly furnish to the Vendor and the Trustee evidence of all such filing, registering, depositing or recording, and an opinion or opinions of counsel for the Lessee with respect thereto satisfactory to the Trustee and the Vendor.

SECTION 16.01. Obligations of Trustee Under CSA; Additional Rentals. In the event that the Trustee shall become obligated to make any payment (other than payments in settlement for any Unit or the principal of or interest on the CSA Indebtedness in respect thereof pursuant to the CSA and pursuant to the proviso to the last paragraph of Article 12 thereof) or to perform any obligations pursuant to the CSA not covered by the provisions of this Lease, the Lessee shall pay such additional rentals hereunder and perform such obligations so that all of the Trustee's obligations (other than as aforesaid) pursuant to the CSA shall be fully complied with, without regard for any limitation of liability of the Trustee contained in the CSA.

SECTION 17.01. Trustee's Right to Perform for the Lessee. If the Lessee fails to perform or comply with any of its agreements contained herein, the Trustee may upon notice to the Lessee itself perform or comply with such agreement, and the amount of the reasonable cost and expenses of the Trustee incurred in connection with such performance or compliance, together with interest on such amount at the rate of 10.48% per annum, shall be payable by the Lessee upon demand. No such performance or compliance by the Trustee shall be deemed a waiver of the rights and remedies of the Trustee against the Lessee hereunder or be deemed to cure the default of the Lessee hereunder.

SECTION 18.01. Interest on Overdue Rentals. Anything to the contrary herein contained notwithstanding, any nonpayment of rentals and other obligations due hereunder shall result in the obligation on the part of the Lessee promptly to pay an amount equal to interest at a rate of 10.48% per annum on the overdue rentals and other obligations for the period of time during which they are overdue or such lesser amount as may be legally enforceable.

SECTION 19.01. Notices. Any notice required or permitted to be given by any party hereto to any other party or parties shall be deemed to have been received by the addressee on the date of actual receipt (if such date is a Business Day, otherwise on the next Business Day), if transmitted by mail, telex, telecopy or similar transmission, or by hand, addressed as follows:

if to the Trustee, at 777 Main Street, Hartford Connecticut 06115, attention of Corporate Trust Department;

if to the Lessee, at 101 North Wacker Drive, Chicago, Illinois 60606, attention of Treasurer;

or addressed to any party at such other address as such party shall hereafter furnish to the other parties in writing. Any certificate, document or report required to be furnished by any party hereto to the other parties shall be delivered to the address set forth above or so furnished for such party. Any notice to the Lessee by the Vendor regarding the Lessee's failure to perform any obligation hereunder shall also be furnished by the Lessee to the Trustee.

SECTION 20.01. Immunities. Each and all of the representations, warranties, covenants and agreements herein made on the part of the financial institution acting as Trustee hereunder are made and intended not as personal representations, warranties, covenants and agreements by said institution or for the purpose or with the intention of binding said institution personally but are made and intended for the purpose of binding only the Trust Estate (as such term is used in the Trust Agreement) and (except as aforesaid) this agreement is executed and delivered by said institution solely in the exercise of the powers expressly conferred upon said institution as trustee under the Trust Agreement; and no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said institution on account of any representation, warranty, covenant or agreement herein of

the Trustee (except in the case of gross negligence or willful misconduct of the Trustee), either expressed or implied, all such personal liability, if any, being expressly waived and released by the Lessee and by all persons claiming by, through or under the Lessee; provided, however, that the Lessee or any person claiming by, through or under the Lessee making claim hereunder may look to said Trust Estate for satisfaction of the same.

SECTION 21.01. Severability; Effect and Modification of Lease; Third Party Beneficiaries. Any provision of this Lease which is prohibited or unenforceable in any jurisdiction shall be, as to such jurisdiction, 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.

SECTION 21.02. This Lease exclusively and completely states the rights of the Trustee and the Lessee with respect to the leasing of the Units and supersedes all other agreements, oral or written, with respect thereto, except the Participation Agreement. Subject to the last sentence of the first paragraph of Article 20 of the CSA, 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 Trustee and the Lessee.

SECTION 21.03. Nothing in this Lease shall be deemed to create any right in any person not a party hereto (other than the Trustee, the Vendor, the Investors and the permitted successors and assigns of such parties, each of which shall be deemed to be a third party beneficiary hereof) and this instrument shall not be construed in any respect to be a contract in whole or in part for the benefit of any third party except as aforesaid.

SECTION 22.01. Execution. This Lease may be executed in several counterparts, such counterparts together constituting but one and the same instrument, but the counterpart delivered to the Vendor shall be deemed to be the original counterpart. Although for convenience this Lease is dated as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 23.01. Law Governing. The terms of this Lease and all rights and obligations hereunder shall be governed by and construed in accordance with the laws of the State of New York; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303, such additional rights arising out of the filing, recording or depositing of this Lease and any assignment hereof as shall be conferred by the laws of the several jurisdictions in which the same shall be filed, recorded or deposited, or in which any Units shall be located, and any rights arising out of the markings on the Units.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this instrument to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first above written, and each of the undersigned signatories hereto declares pursuant to 28 U.S.C. § 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below its signature.

TRAILER TRAIN COMPANY,

by

_____
Name:
Title:

Executed on January , 1990.

THE CONNECTICUT
NATIONAL BANK, not in
its individual capacity, but
solely as Trustee,

by

_____
Name:
Title:

Executed on January , 1990.

01/23/90
TL31DEQ(NATWEST)

TRAILER TRAIN COMPANY
ANNEX B TO THE CONDITIONAL SALE AGREEMENT AND
SCHEDULE A TO THE LEASE OF RAILROAD EQUIPMENT (NO. 31D),
EACH DATED AS OF JANUARY 2, 1990

BUILDER/ CAR TYPE	QUANTITY	CAR NUMBERS (INCLUSIVE)	UNIT COST	TOTAL COST	DELIVERY PERIOD	CONTRACT
BETHLEHEM STEEL CORP.:						
* FIVE-PLATFORM ARTICULATED ALL-PURPOSE SPINE FLATCARS WITH RETRACTABLE HITCHES FOR CARRYING TRAILERS OR CONTAINERS - TTAX.	82	78042,78048, 78050-78299			DEC., 1989- March., 1990	T-5088-B
TRINITY INDUSTRIES, INC.:						
* FIVE-PLATFORM ARTICULATED ALL-PURPOSE SPINE FLATCARS WITH RETRACTABLE HITCHES FOR CARRYING TRAILERS OR CONTAINERS - TTAX.	46	76075-76139 76174-76259		**	DEC., 1989- March., 1990	T-1089-P
	128			$19,231,100.44		

* NOT SUBJECT TO THE CUSHIONING REQUIREMENTS OF THE AAR INTERCHANGE RULES.

** F.O.B. TRINITY PLANT.

Basic Rent Schedule
Percentage of Purchase Price*

Rental Date	Advance Rent	Arrears Rent
04-Aug-90	0.000000	0.000000
04-Feb-91	0.000000	0.000000
04-Aug-91	0.000000	8.681276
04-Feb-92	0.000000	0.000000
04-Aug-92	0.000000	8.681276
04-Feb-93	0.000000	0.000000
04-Aug-93	0.000000	8.681276
04-Feb-94	0.000000	3.611308
04-Aug-94	0.000000	5.069968
04-Feb-95	0.000000	3.542167
04-Aug-95	0.000000	5.139108
04-Feb-96	0.000000	3.466472
04-Aug-96	0.000000	5.214803
04-Feb-97	0.000000	3.383602
04-Aug-97	0.000000	5.297675
04-Feb-98	0.000000	3.292874
04-Aug-98	0.000000	5.388401
04-Feb-99	0.000000	3.201595
04-Aug-99	0.000000	7.408426
04-Feb-2000	10.610021	0.000000
04-Aug-2000	2.680850	0.000000
04-Feb-2001	7.929171	0.000000
04-Aug-2001	2.562502	0.000000
04-Feb-2002	8.047519	0.000000
04-Aug-2002	2.390663	0.000000
04-Feb-2003	8.219358	0.000000
04-Aug-2003	2.198311	0.000000
04-Feb-2004	8.411710	0.000000
04-Aug-2004	2.002825	0.000000
04-Feb-2005	8.607196	0.000000
04-Aug-2005	1.788064	0.000000
04-Feb-2006	8.821957	0.000000
04-Aug-2006	1.454657	0.000000
04-Feb-2007	9.155364	0.000000
04-Aug-2007	1.089644	0.000000
04-Feb-2008	9.520377	0.000000
04-Aug-2008	0.690027	0.000000
04-Feb-2009	9.919994	0.000000
04-Aug-2009	0.252525	0.000000
04-Feb-2010	10.357495	0.000000
04-Aug-2010	0.000000	0.000000
Fixed Rate Renewal Period		
04-Feb-2011, and each rent payment date during the Fixed Rate Renewal Term	0.000000	2.459631

*As defined in Article 4 of the CSA

Casualty Values and Termination Values*

Dates	Casualty Values and Termination Values as Percentage of Purchase Price
8/ 4/1990	107.64768
2/ 4/1991	113.70513
8/ 4/1991	111.10360
2/ 4/1992	116.44873
8/ 4/1992	112.98887
2/ 4/1993	117.53937
8/ 4/1993	113.36718
2/ 4/1994	113.84665
8/ 4/1994	112.72938
2/ 4/1995	112.92525
8/ 4/1995	111.38549
2/ 4/1996	111.38549
8/ 4/1996	109.63716
2/ 4/1997	109.63716
8/ 4/1997	107.72309
2/ 4/1998	107.72308
8/ 4/1998	105.62756
2/ 4/1999	105.62756
8/ 4/1999	101.42072
2/ 4/2000	104.44617
8/ 4/2000	96.51700
2/ 4/2001	96.51700
8/ 4/2001	91.15033
2/ 4/2002	91.15033
8/ 4/2002	85.49347
2/ 4/2003	85.49347
8/ 4/2003	79.47243
2/ 4/2004	79.47243
8/ 4/2004	73.06354
2/ 4/2005	73.06354
8/ 4/2005	66.24441
2/ 4/2006	66.24440
8/ 4/2006	58.87710
2/ 4/2007	58.93341
8/ 4/2007	51.07472
2/ 4/2008	51.45510
8/ 4/2008	43.19185
2/ 4/2009	43.96704
8/ 4/2009	35.95447
2/ 4/2010	37.85750
8/ 4/2010	27.50000
Optional Fixed Rate Renewal Period:	
04-Feb-2011, and each rent payment date during the Fixed Rate Renewal Term	27.50000

* The Casualty Value and Termination Value of each Unit as of any date shall be that percentage of the Purchase Price of such Unit as set forth in the above schedule opposite such date.

[P91625]
Annex D
to
Conditional Sale Agreement

[CS&M Ref. 4020-143]

ASSIGNMENT OF LEASE AND AGREEMENT

(D)

Dated as of January 2, 1990

Between

THE CONNECTICUT NATIONAL BANK,
as Trustee,

and

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY,
as Agent

ASSIGNMENT OF LEASE AND AGREEMENT

TABLE OF CONTENTS 1/

	Page
PREAMBLES	1
PARTIES	1
SECTION 1. Assignment by Trustee to Agent; Application of Payments	1
SECTION 2. Trustee's Liabilities under the Lease not Assigned to or Assumed by Agent	3
SECTION 3. No Modification of the Lease without the Written Consent of Agent	3
SECTION 4. Agent to Act for Trustee under the Lease	4
SECTION 5. Termination	4
SECTION 6. Recording	5
SECTION 7. Assignment by Agent	5
SECTION 8. Law governing	5
SECTION 9. Notices	5
SECTION 10. Certain Additional Rights and Immunities of Trustee and Vendor	5
SECTION 11. No recourse	6
TESTIMONIUM	6
SIGNATURES	7
LESSEE'S CONSENT AND AGREEMENT	8

1/ This Table of Contents has been included in this document for convenience only and does not form a part of, or affect any construction or interpretation of this document.

ASSIGNMENT OF LEASE AND AGREEMENT dated as of January 2, 1990, ("Assignment"), by and between THE CONNECTICUT NATIONAL BANK, not in its individual capacity but solely as Trustee (together with its successors and assigns, "Trustee") acting under a Trust Agreement dated as of the date hereof ("Trust Agreement") with NATWEST USA LEASING CORP. ("Owner") and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, not in its individual capacity but solely as agent ("Agent") for certain institutional investors ("Investors") under a Participation Agreement dated as of the date hereof among the Owner, the Trustee, the Agent, the Investors and TRAILER TRAIN COMPANY ("Lessee").

WHEREAS the Trustee is entering into a Conditional Sale Agreement dated as of the date hereof ("CSA") with Trailer Train Company (in such capacity, "Seller") providing for the sale to the Trustee of such of the units of railroad equipment to be acquired for the Trustee ("Units") described in the Annex B thereto as are delivered to and accepted by the Trustee thereunder and the CSA is being assigned to the Agent by the Seller;

WHEREAS the Trustee and the Lessee have entered into a Lease of Railroad Equipment dated as of the date hereof (hereinafter, together with the amendments and supplements thereto, being called "Lease"), providing for the leasing by the Trustee to the Lessee of the Units; and

WHEREAS, in order to provide security for the obligations of the Trustee under the CSA and as an inducement to the Investors to invest in the CSA Indebtedness as defined in the CSA, the Trustee agrees to assign for security purposes its rights in, to and under the Lease to the Agent, and the capitalized terms used herein to define each of the Documents shall refer to each of such Documents as they may be modified, amended or supplemented from time to time.

NOW, THEREFORE, in consideration of the payments to be made, the parties hereto agree as follows:

SECTION 1. <u>Assignment by Trustee to Agent; Application of Payments.</u> (a) The Trustee hereby assigns, transfers and sets over unto the Agent, as collateral

security for the payment and performance of the Trustee's obligations under the CSA all the Trustee's right, title and interest, powers, privileges, and other benefits under the Lease (including those inuring to the benefit of the Owner and the Owner's assigns by reason of Section 12 of the Lease), including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Trustee under or pursuant to the provisions of the Lease whether as rent, casualty payment, indemnity (except sums which by the express terms of the Lease are payable directly to the Trustee or the Owner pursuant to Sections 3.03(b), 6.01, 9.07 and 17.01 of the Lease (or any amounts whether denominated as rents or otherwise payable by the Lessee pursuant to the Tax Indemnity Agreement), liquidated damages, or otherwise (such moneys being hereinafter called "Payments") and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things whatsoever which the Trustee is or may become entitled to do under the Lease; provided, however, that upon the occurrence of an Event of Default under the Lease, before taking any unilateral action which might materially and adversely affect the interests of the Owner or the Trustee, the Agent will give the Owner a reasonable opportunity to consult with the Agent and representatives of the Investors and to propose solutions to the circumstances of such Event of Default. In response to any such proposals, the Investors and the Agent will thereafter use reasonable efforts, in good faith and in a manner not inconsistent with their own interests, to mitigate any material and adverse effect on the interests of the Owner and the Trustee in connection with any such action to be taken by the Agent in respect of such Event of Default. In furtherance of the foregoing assignment, the Trustee hereby irrevocably authorizes and empowers the Agent in its own name, or in the name of its nominee, or in the name of the Trustee or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Trustee is or may become entitled under the Lease and to enforce compliance by the Lessee with all the terms and provisions thereof.

(b) The Agent agrees to accept any Payments made by the Lessee for the account of the Trustee pursuant to the Lease and, to the extent received, the Agent will apply such Payments to satisfy the obligations of the Trustee under the CSA then due and payable, subject to the limitations contained in the last paragraph of Article 4 of the CSA, and any balance held by the Agent hereunder for the account of

the Trustee shall be deemed to be held in trust for the Trustee and shall be paid immediately to and retained by the Trustee. If the Agent shall not receive any rental payment under Section 3.01 of the Lease or any payment of Casualty Values or Termination Values under Section 7 of the Lease when due, the Agent shall promptly notify the Trustee by telegraphic communication at the address set forth in the Lease. Failure to so notify the Trustee shall not affect the rights and remedies of the Agent hereunder or under the CSA; except that the Agent may not make a Declaration of Default (as defined in the CSA) on the basis of an event of default under subparagraph (a) of Article 15 of the CSA arising solely by reason of the failure of the Lessee to make any such rental payment which under the provisions of paragraph (e) of Article 15 of the CSA is permitted to be cured by the Trustee, unless such event of default is not remedied within 10 days after notification is given as aforesaid.

SECTION 2. Trustee's Liabilities under the Lease not Assigned or Assumed by Agent. This Assignment is executed only as security for the obligations of the Trustee under the CSA and, therefore, the execution and delivery of this Assignment shall not subject the Agent to, or transfer, or pass, or in any way affect or modify the liability of the Trustee under the Lease, it being agreed that, notwithstanding this Assignment or any subsequent assignment, all obligations of the Trustee to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Trustee or persons other than the Agent.

SECTION 3. No Modification of the Lease without the Written Consent of Agent. To protect the security afforded by this Assignment, the Trustee agrees as follows:

(a) The Trustee will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides are to be performed by the Trustee; without the written consent of the Agent, the Trustee will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee which are intended to satisfy the obligations of the Trustee under the CSA, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement so

amending, modifying or terminating the Lease and the Trustee agrees that any such amendment, modification or termination thereof without such consent shall be void.

(b) Should the Trustee fail to make any payment or to do any act which this Assignment requires the Trustee to make or do, then the Agent, but without obligation so to do, after first making written demand upon the Trustee and affording the Trustee a reasonable period of time within which to make such payment or do such act, but without releasing the Trustee from any obligation hereunder, may make or do the same in such manner and to such extent as the Agent may deem necessary to protect the security provided hereby, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof and the rights or powers of the Agent, and also the right to perform and discharge each and every obligation, covenant and agreement of the Trustee contained in the Lease; and in exercising any such powers, the Agent may pay necessary costs and expenses, employ counsel and incur and pay reasonable attorneys' fees, and the Trustee will reimburse the Agent for such costs, expenses and fees; provided, however, that the obligations of the Trustee to make reimbursements under this Section 3 are subject to paragraph (h) of Article 4 of the CSA.

SECTION 4. Agent to Act for Trustee under the Lease. The Trustee does hereby constitute the Agent the Trustee's true and lawful attorney, irrevocably, with full power (in the name of the Trustee, or otherwise), to ask, require, demand, receive, compound and give acquittance for any and all payments due and to become due under or arising out of the Lease to which the Trustee is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which the Agent may deem to be necessary or advisable in the premises.

SECTION 5. Termination. Upon the full discharge and satisfaction of all the Trustee's obligations under the CSA, this Assignment, and all rights herein assigned to the Agent in respect thereof, shall terminate, and all estate, right, title and interest of the Agent in and to the Lease shall revert to the Trustee without further act or deed, but the Agent shall execute and deliver such documents as the

Trustee may reasonably request in order to confirm, or make clear upon public records, such termination and/or reversion.

SECTION 6. Recording. The Trustee will, from time to time, do and perform any other act and will execute, acknowledge and deliver any and all further instruments required by law and reasonably requested by the Agent in order to confirm or further assure the interests of the Agent hereunder.

SECTION 7. Assignment by Agent. The Agent may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due. The Agent will give written notice to the Trustee, the Owner and the Lessee of any such assignment.

SECTION 8. Law Governing. This Assignment shall be governed by the laws of the State of New York, but the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

SECTION 9. Notices. The Trustee shall cause copies of all notices received in connection with the Lease and all payments hereunder to be promptly delivered or made to the Agent at its address set forth in Article 20 of the CSA, or at such other address as the Agent shall designate.

SECTION 10. Certain Additional Rights and Immunities of Trustee and Vendor. The Agent hereby agrees with the Trustee that, so long as no event of default, or any event which with lapse of time or notice or both would constitute such an event of default, under the CSA has occurred and is then continuing, the Agent will not exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits assigned and transferred by the Trustee to the Agent by this Assignment, except the right to receive and apply the Payments as provided in Section 1 hereof, and that, subject to the terms of the Lease and the CSA, so long as no such event of default under the CSA has occurred and is then continuing, the Trustee may exercise or enforce, or seek to exercise or enforce, its rights, powers, privileges and remedies arising out of subparagraph (a) of Section 10.01 of the Lease; provided, however, the Trustee shall not, without the prior written consent of the Agent, terminate the Lease or otherwise exercise or enforce, or seek to exercise or enforce, any rights, powers, privileges

and remedies arising out of subparagraph (b) of said Section 10.01.

SECTION 11. No Recourse. It is expressly agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, warranties, undertakings and agreements herein made on the part of the Trustee are each and every one of them made and intended not as personal representations, warranties, undertakings and agreements by the financial institution acting as Trustee hereunder or for the purpose or with the intention of binding said financial institution personally but are made and intended for the purpose of binding only the Trust Estate as that term is used in the Trust Agreement and this Assignment is executed and delivered by the Trustee solely in the exercise of the powers expressly conferred upon the Trustee under the Trust Agreement; and that no personal liability or responsibility is assumed by or shall at any time be asserted or enforceable against said financial institution on account of any representation, warranty, undertaking or agreement hereunder of said financial institution, acting in its capacity as Trustee, either expressed or implied, all such personal liability, if any, being expressly waived and released by the Agent and by all persons claiming by, through or under the Agent; provided, however, that the Agent or any person claiming by, through or under the Agent, making claim hereunder, may look to the Trust Estate for satisfaction of the same.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this instrument to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date

first above written, and each of the undersigned signatories hereto declares pursuant to 28 U.S.C. § 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below its signature.

THE CONNECTICUT NATIONAL BANK, not in its individual capacity but solely as Trustee,

by

_____
Name:
Title:

Executed on January , 1990.

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, not in its individual capacity, but solely as Agent,

by

_____
Name:
Title:

Executed on January , 1990.

[Corporate Seal]

Attest:

_____
Name:
Title:

LESSEE'S CONSENT AND AGREEMENT

The undersigned, a corporation duly incorporated under the laws of the State of Delaware, the Lessee named in the Lease ("Lease") referred to in the foregoing Assignment of Lease and Agreement ("Assignment") hereby acknowledges receipt of a copy of the Assignment, consents to all the terms and conditions of the Assignment and agrees as follows:

(1) subject to the terms and conditions of the Assignment, to pay all Payments (as defined in the Assignment) due and to become due to the Trustee under the Lease directly to MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, as agent ("Agent") under the Participation Agreement referred to in the Assignment, to be applied as provided in the Assignment, by bank wire transfer of immediately available funds to Mercantile-Safe Deposit and Trust Company, Baltimore, Maryland, for credit to its Corporate Trust Account No. 620081-8 with notation that the funds are "Re: TTX 1/2/90" (or such other address as may be furnished in writing to the undersigned by the Agent);

(2) agrees, subject to the terms and conditions of the Assignment, that the Agent shall be entitled to the benefits of, and to receive and enforce performance of, all of the covenants to be performed by the undersigned under the Lease as though the Agent were named therein as the Trustee;

(3) agrees that the Agent shall not, by virtue of the Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise;

(4) agrees that the Lease shall not, without the prior written consent of the Agent, be amended, terminated or modified, or any action be taken or omitted by the undersigned, the taking or omission of which might result in any alteration or impairment of the obligations of the Lessee under the Lease which are intended to satisfy the obligations of the Trustee under the CSA, the obligations of the Trustee under the Assignment or the obligations of the Lessee under this Consent and Agreement or of any of the rights created by any thereof; and

(5) will do all such acts and execute and deliver all such further assurances required to be done and/or executed and delivered by it pursuant to the provisions of the Participation Agreement and the exhibits thereto.

This Agreement may be executed in several counterparts, each of which when so executed shall be deemed an original, and such counterparts together shall constitute one and the same instrument.

This Consent and Agreement, when accepted by the Agent by signing the acceptance at the foot hereof, shall be deemed to be a contract under the laws of the State of New York and, for all purposes, shall be construed in accordance with the laws of said State.

Dated as of January 2, 1990.

TRAILER TRAIN COMPANY,

by

_____
Name:
Title:

Accepted:

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, not in its individual capacity, but solely as Agent under the Participation Agreement referred to above,

by

_____
Name:
Title:

[Corporate Seal]

Attest:

_____
Name:
Title: